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LONG RANGE FACILITIES

PLANNING

EXHIBITS

VOL. V OF V



Transportation
Research Institute

NATIONAL STEEL AND SHIPBUILDING COMPANY
A MORRISON-KNUDSEN COMPANY

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NATIONAL SHIPBUILDING RESEARCH PROGRAM

SP-1 FACILITIES PANEL PROJECT

71771

LONG RANGE FACILITIES

PLANNING

EXHIBITS

VOL. V OF V

NATIONAL STEEL AND SHIPBUILDING COMPANY

IN COOPERATION WITH THE

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

APRIL, 1982

EXHIBITS

Volume V

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- South Yard Development Plans (Repair Yard)
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NATIONAL STEEL AND SHIPBUILDING COMPANY

INTER-DEPARTMENT MEMO

Date..... 09/18/81

To..... Distribution Dept.....

Subject..... Preliminary Report for Nov. 6 MK Board Meeting Job No.....

From..... J.R. Ruecker *JR Ruecker* Dept.....

This report covers the refinement of the previous report concerning the use of the ITT site, dated the 8th and 27th of August.

The refinements are the result of NASSCO's senior management narrowing the field of potential site usages and more clearly defining the direction which should be taken. This report also has taken into consideration the comments recieved as a result of the last report distribution.

The major change has occured in the number of phases and how the site should be utilized. Phase I has been split into two scenario's, one with NASSCO getting the DD-963 contract and the other addresses use of the site without the contract. This phase in either case will primarily deal with the acquisition of the ITT building, leasing the land on which the building sits and obtaining options for the other adjoining parcels. Phase II will cover the drydock construction and start-up using the ITT site in the same manner it was used in Phase I. Phase III deals with several possibilities including using the NASSCO South Site for main yard shops, other than marine construction activities and/or any other function that would be economically viable and, thus, profitable to NASSCO.

As requested with the first usage report, you are once again being solicited for your comments and recommendations. Please forward your input no later than Sept. 25, 1981, as the next step will be to add costs and this does require that the statements in this report are exact and to the point.

I personally would like to thank those people who have made comments on the previous site usage report. Copies of their comments have been included in this report under Exhibit K.

JRR/yr .

SOUTH SITE DEVELOPMENT PHASES

SOUTH SITE DEVELOPMENT PHASING

Phase Ia.

This would cover only those items which are required at the NASSCO South Site to handle repair work on the two DD-963 vessels (Ray & O'Brien) or any other Navy repair contract. This site would be handled the same as the North Island or the 32nd Street Naval Station. The ITT Building itself would be virtually off limits to the repair operation except for a small area in the southeast corner.

This would include:

Lease approximately 20 acres which is the site of the building owned by ITT (Parcel 1). See Exhibit A.

- Purchase leasehold right of ITT in the 320,000 sq. ft. building.

Lease approximately 1200 ft. of the 1500 ft. wharf located on the Sweetwater channel plus access area for servicing (Parcel 3). See Exhibit A.

Install utilities required to support the two DD-963's.

Lease -water area (Parcel 4) adjacent to the wharf (Parcel 3), approximately 150 ft. wide. See Exhibit A.

Obtain lease option agreement from Port Authority for future lease of 20 acres (Parcel 2) west of ITT site and adjoining water area (Parcel 5) to be exercised upon approval of all required permits. See Exhibit A.

Use of the ITT Building for existing warehousing which can be moved out of present warehouses or lease out portions of the building until NASSCO can utilize the space. The most cost effective approach will be developed in conjunction with warehousing supervision.

Locate temporary Navy berthing, messing and parking on ITT site.

Use existing on-site parking facilities for NASSCO employees.

Start engineering and planning for construction of drydock in Phase 2.

Apply for permits and expedite the permitting agencies for site development for drydock in Phase 2.

SOUTH SITE DEVELOPMENT PHASING

Phase Ib.

This would cover the acquisition of the NASSCO South Site for future repair and conversion activities (or other marine or non-marine related work). Note that the only firm commitment is for the 20 acre ITT site and the 320,000 sq. ft. building.

This would include:

- Lease approximately 20 acres which is the site of the building owned by ITT (Parcel 1). See Exhibit A.
- Purchase leasehold right of ITT in the 320,000 sq. ft. building.
- Obtain lease option agreement from port Authority for future lease of 1200 ft. of the 1500 ft. wharf located on the Sweetwater channel plus access area for servicing (Parcel 3) and adjoining water area (Parcel 4) which would be executed at time of contract award. See Exhibit A.
- Obtain lease option agreement from Port Authority for future lease of 20 acres (Parcel 2) west of ITT site and adjoining water area (Parcel 5) to be executed upon approval of all required permits. See Exhibit A.
- Use of the ITT Building for existing warehousing which can be moved out of present warehouses or lease out portions of the building until NASSCO can utilize the space. The most cost effective approach will be developed in conjunction with warehousing supervision.
- Start engineering and planning for construction of drydock in Phase 2.
- Apply for permits and expedite the permitting agencies for site development for drydock in Phase 2.

SOUTH SITE DEVELOPMENT PHASING

Phase II

This would be the first step in the development of the site to increase NASSCO's repair capabilities. The usage of the site would not drastically change from how it is used in Phase Ia, except we would have the capability to drydock vessels.

This would include:

- Execute lease on approximately 20 acres (Parcel 2) adjacent to ITT site (Parcel 1) which would be the milestone indicating Phase II has officially started. See Exhibit A.
- Preliminary grading of the whole west waterfront site to bring it to the desired overall level for ease of operation, and to facilitate the construction of the proposed drydock.
- Start and complete construction of drydock.
- Pave site.
- Use area inside the ITT Building for clean room combatant electronics area (if economically justified or required by contract terms). Assumes this was not done in Phase Ia.

SOUTH SITE DEVELOPMENT PHASING

Phase III

In this phase any and/or all of those items which are cost justified through ROI analysis, or required by a specific contract will be incorporated.

This could (and we emphasize could) include:

- Use existing ITT Building offices for repair offices plus any other offices that would complement the Long Range Plans for the main yard. These areas are shown on Exhibit B by Items ①, ② & ③.
- Use southeast bays of ITT Building for repair shops such as, Carpenter Shop Repair, Pipe Repair, Rigging Repair, Machinery Repair, etc. See Exhibit B, Item ①.
- Use area under 75 ton crane for laydown and construction. See Exhibit B, Item ⑤.
- Move New Construction Pipe Shop from the main yard into ITT Building. See Exhibit B, Item ②. This will open up the center of the main yard for Platen 1 lengthening or unit staging as indicated in the main yard Long Range Facility Plan (LRFP).
- Move New Construction Sheetmetal Shop from the main yard into the ITT Building. See Exhibit B, Item ③. This move will clear the 28th St. Mole Pier for a new construction outfitting staging area as indicated in the main yard LRFP.
- Move New Construction Electrical Shop from the main yard into the ITT Building. See Exhibit B, Item ④. This also supports the LRFP for the main yard.
- The remaining open space in the ITT Building should be used for warehousing. It should be noted that approximately 100,000 sq. ft. of warehousing will be displaced by moving shops from the main yard into the ITT Building. The most logical place to relocate the warehousing would be to the north in a 100,000 sq. ft. warehouse that the port has recently erected. See Exhibit C.
- Use ITT clean room area for an electronics combatant systems work area. See Exhibit 3, Item ①.

- Execute all or part of lease option on water area (Parcel 5) approximately 200 ft. wide. See Exhibit A. Construct UP to 2300 lineal feet of new wharf*, extending the existing wharf along the southern boundary and wrapping around to the west boundary to the northern property line. See Exhibit C.

construct permanent Navy berthing and messing facilities to the east of the site. See Exhibit C.

Lease approximately 20 acres between 32nd Street and Sweetwater wharf. This could be used as employee parking to support shops in ITT Building. Also note that this is an area which would lend itself to drill rig construction should the need arise.

- Add crane track alongside the drydock for gantry crane service.
- Although no definite need is foreseen, gantry rails could be supported by the wharf and thus provide the gantry service to the berthing positions.
- Adequate acreage for laydown exists for preconstruction outfitting of ship's modules or other marine/non-marine work.

*All new wharfs should be designed to take crane rails later, if required.

IMPLEMENTATION PROGRAMS

PHASE Ia - IMPLEMENTATION PROGRAM

List of Implementation Factors

1. Land and Water Facilities
2. Repair Shops
3. Repair Support Functions
4. Warehousing
5. Office Functions
6. Utilities
7. Navy Berthing, Messing and Parking
8. Material Handling and Lifting Capacities
9. Interyard Transportation
10. Parking for NASSCO Employees
11. Permits and Pollution Problems
12. Hazardous Waste
13. Fire Services
14. Security
15. Safety Se-mites
16. Personnel and Industrial Relations
17. First Aid Services
18. Food Services
19. Outside Restrooms
20. Lockers
21. Fueling Services
- 22.** Telephone Services

Project

To make the NASSCO South Site ready to handle the repair contracts for two DD-963 Navy vessels (Ray & O'Brien) the use of this site for other Navy contracts have the same basic Implementation Program. However, the details would possibly vary. For example, type and quantity of material handling equipment would be different for each contract. Additionally, the use of the remainder of the building for NASSCO warehousing (or short-term lease to others) will be analyzed by Facilities and Warehousing supervision to determine the most cost efficient use of this space.

1. Land and Water Facilities (Exhibit D)

- Acquire the ITT Building, with long-term lease for land on which it stands (Parcel 1).
- Lease approximately 1200 ft. of the 1500 ft. wharf and adjoining service space (Parcels 3 & 4).
- Obtain lease option for 20 acres (Parcel 2) west of ITT site and adjoining water area (Parcel 5).

2. Repair Shops

The repair shops will remain within the confines of the main yard. Two or three portable buildings similar to Sea Train containers will be used for on-site support shops at the South Site. These portable shops will be located pier side for easy access.

Combatant electronics systems test area will be required. Since this function requires a semi-clean room facility, the logical place will be in the ITT Building's present clean room area. See Exhibit E.

3. Repair Support Functions

A storage and staging area will be provided alongside the wharf: for staging of equipment and materials to be used aboard ship.

4. Warehousing

An area will be provided within the ITT Building for the contract required warehousing for the DD-963 vessels.

Existing off-site warehousing which can be moved to the ITT Building economically will be done to fill the remaining warehouse space and/or it may be leased out until NASSCO can utilize it.

5. Office Functions

The only offices that will be required at the site will be for repair supervisors. Four trailers will be placed at pier side so that the supervision will be located at the job site. The offices in the ITT site will not be used for the Repair Supervisor. They will only be used for other office functions if economically justifiable. These offices may also be leased out if so desired.

The plan is that no permanent offices will be provided in the ITT Building for Navy/SupShips personnel. It is estimated that office accommodations will have to be provided for 16 people per DD-963 vessel being repaired. It is proposed that this should be done in trailers rented for each contract.

6. Utilities

The Long Range Plans are to establish an infrastructure for utilities distribution at the NASSCO South Site, as shown in principle in Exhibit F. This will take the form of permanent underground trenches from which branch services can be run as appropriate. For Phase I, utilities runs will be made to the Sweetwater wharf and Navy berthing and messing. This will be in line with the Long Range Plans for utility distribution network.

For the repair of the two DD-963 vessels, service to the wharfs would require:

- Electrical: Continuous service of 2500 - 3000 KVA. Assumed that the NASSCO Shore Power Panels will be used. Need transformers with 30-week lead time.
- Natural Gas: Is available in adequate quantities at the site.
- Other Gases & Oxygen: Initially will be supplied from bottles. Later, may add bulk services.
- Compressed Air: Will need 5,000 - 10,000 cfm above what is available on site. Plan initially to rent this.
- Steam: Adequate supply from the main utility boiler house; to be piped as appropriate.
- Fresh Water: Each ship will need 40,000 g.p.d. at 40 - 80 p.s.i. Navy berthing and messing could add 45,000 g.p.d. per ship. Present service is 6" line at 125 p.s.i.; should be no problem of main supply, but will need distribution piping.

- Fire Protection Water: Each ship will need 2,500 g.p.m. at 60 p.s.i. Each berth will require 4,200 g.p.m. available; will need to supply either loop system or pumps.
- Sewerage: Each ship will need capability of 150 g.p.m. at 150 p.s.i. from ship through interconnects to city main.

7. Navy Berthing, Messing and Parking

The plan is to provide temporary facilities situated on the ITT property. The most suitable location from the standpoint of access and installation costs is site one on the east side of the ITT Building as indicated in Exhibit G. If additional area would be required for additional facilities at a later date location two could be utilized. The parking that is displaced by the berthing and messing will be relocated to the bay side (west) of the ITT Building.

Approximately 1.6 acres would be required initially to house the Navy personnel for a DD-963. Berthing quarters would consist of sixteen 24' x 60' stackable trailers, one 10' x 50' officers' trailer and one 36' x 60' messing trailer. Parking would be available for 200 - 300 personnel.

8. Material Handling and Lifting Capacities

For dockside repair work on the DD-963 vessels at the South Site and associated warehousing, the following handling equipment would be needed:

- | | | |
|----|---|-------------------------------|
| a) | 2 - 4-ton forklifts | - New |
| b) | 1 - 15-ton forklift | - New |
| c) | 1 - 3500 lb. highlift picking truck | - New |
| d) | 2 - 100-ton mobile cranes, 150 ft. boom | - New |
| e) | 1 - 35-ton hydro-crane | - Existing
in Main
Yard |

Items a, b, c, and d could either be rented (if the Navy contract situation is short-term or uncertain) or bought (probably cheapest long-term, if major contracts are sure). A detailed study of these requirements will be needed when the Navy contract situation becomes clearer.

Item e is now dedicated to repair work (either this 35-ton or a smaller 18-ton) and should be relocated from the main yard to the South Site.

It is understood that some extra heavy blind lifts, through the stacks, may be required. It is proposed that a suitable barge-mounted crane will be rented for these lifts, when needed.

9. Interyard Transportation

There will be a substantial amount of work done at the main yard to serve South Site repair needs. Additional transportation needs will be as follows:

- 1 - Standard 3/4-ton pick-up for supervisors, quick pick-ups, mail, etc.
- 1 - 12-foot stake truck. This is a 1-ton pick-up for intermediate loads.
- 1 - 20-foot stake truck. This is a 2-1/2-ton standard stake truck for handling the larger loads. This truck should have a hydraulic tailgate.

Other larger moves can be handled with existing main yard facilities:

- 8' X 40' flat bed semi-trailer for engines and generators.
- Barges for any larger equipment.

Rail services are available at both sites, if needed. It is not planned to use rail for interyard transportation at this time.

10. Parking for NASSCO Employees

A total of 238 parking spots are available on the ITT site. Fifty extra can easily be added in the northeast corner. The majority of these spaces will be displaced by Navy berthing and messing and the five acres of paved and dirt area on the bay side of the ITT Building will be used for employee parking.

11. Permits and Pollution Problems

Permits will (or may) be required for many of the functions and equipment which will be in operation at the South Site. Lead times in obtaining permits may be critical. Permits may have to be obtained from:

- APCD (Air Pollution Control District)
- Corps of Engineers
- Coastal Authorities
- Port of San Diego
- National Pollution Discharge Elimination System
- Spill Prevention, Control & Countermeasure
- industrial Discharges, City of San Diego/National City

For example, APCD permits alone may be required for oil-fired boilers, 500+ HP IC engines/gas turbines, paint facilities, gritblast, degreasing tanks and ovens.

12. Hazardous Waste

Plans are that hazardous waste will be staged in suitable cells (to be constructed) behind (north of) the present utility building. This will be a designated area for this service. During Phase I, the hazardous waste will be handled on a sub-contract basis by a licensed hauler.

13. Fire Services

Plan is to have one person available round the clock doing extinguisher checks, maintenance, hose checks, etc. Alarm monitoring would be in the main security guardhouse. Some basic equipment will be needed. Buildings and ships being repaired will be covered.

14. Security

Plan to use NASSCO personnel. Two people on duty round the clock, one full time in the guardhouse monitoring security and fire checks, the other a roving guard.

15. Safety Services

One person full time on first shift - 5 days only. Other functions (industrial hygienist, etc.) part time. Tie in with main yard services as needed. Located in a tailer at pier side. Some equipment will be needed at the South Site.

16. Personnel and Industrial Relations

All hiring and keeping of main personnel records will be done at the main yard.

17. First Aid Services

The handling of first aid requirements will fall into several categories.

- a) Minor injuries which can be taken care of on site with the use of a first aid box.
- b) Injuries which require medical attention - the employee will be required to report to the main yard medical office on his own.
- c) Injuries of a serious nature requiring treatment at site of accident and transportation to hospital will be handled by National City Paramedics.

18. Food Services

During Phase 1, it is recommended that we use catering trucks with some areas set aside for eating on the same basis as in the main yard. We do not recommend making any drastic changes as to how this subject is handled at the two different sites.

19. Outside Restrooms

Recommended that trailers be purchased to support those working in the outside yard. The number of units should be based on similar allocations for men and women, as those in the main yard.

20. Lockers

- Trades; for toolboxes, etc., **will be purchased as required.** Some will be transferred from main yard.
- Clothing lockers will be provided in similar design to that which is currently at the main yard.

21. Fueling Services

Fueling services will be needed on-site from the start of operations. It is recommended that the following be supplied:

Diesel	- 10,000 gal. tank
Gasoline Regular	- 10,000 gal. tank
Gasoline Low Lead	- 2,500 gal. tank

Tanks and fuel pumps must be code distances away from buildings. Probable location would be the rear of the utilities building.

An alternative to in-ground tanks for fuel storage would be to use a construction maintenance tank type truck for fueling and services.

22. Telephone Services

Arrangement must be made to determine how best the South Site should be served by telephone, and what inter-connects there should be with the main yard. It is suggested that the M-K telephone system representative be asked to study the requirements and make the appropriate recommendations.

PHASE Ib - IMPLEMENTATION PROGRAM

List of Implementation Factors

1. Land and Water Facilities
2. Warehousing
3. Offices
4. Parking
5. Security
6. Telephone Services

PHASE Ib. - IMPLEMENTATION PROGRAM

Project

Acquire the ITT site for a future NASSCO South Site repair and conversion facility (or other marine or non-marine related work). This project deals only with the minimal requirements to tie up the ITT location.

1. Land and Water Facilities (Exhibit H)

- Acquire the ITT Building, with long-term lease for land on which it stands (Parcel 1).
- Obtain lease option agreement for future lease of 1200 ft. of the 1500 ft. Sweetwater channel wharf (Parcel 3) and adjoining water area (Parcel 4).
- Obtain lease option for 20 acres (Parcel 2) west of ITT site and adjoining water area (Parcel 5). Upon approval of all required permits approximately one year from start of phase I. This will signify the start of Phase II.

2. Warehousing

Existing off-site warehousing which can be moved to the ITT Building economically will be done and/or it can be leased out until NASSCO can utilize it.

3. Offices

The offices in the ITT Building will only be used if moving an office's function out of the main yard is required to open up space in the yard or it is economically viable. Alternatively, the space can be leased out until required by NASSCO.

4. Parking

A total of 238 parking spots are available on the ITT site plus there is space to add an additional 50 spots if required. This should be more than sufficient to handle any requirements if the offices are used.

5. Security

Plan to use NASSCO personnel; two people on duty round the clock, one full time in the guardhouse monitoring security and fire checks, the other a roving guard.

6. Telephone Services

The ITT site will keep its present number and will not be integrated into NASSCO's phone system.

PHASE II - IMPLEMENTATION PROGRAM

List of Implementation Factors

1. Land and Water Facilities
2. Repair Shops
3. Repair Support Functions
4. Warehousing
5. Office Functions
6. Utilities
7. Navy Berthing, Messing and Parking
8. Material Handling and Lifting Capacities
9. Interyard Transportation
10. Parking for NASSCO Employees
11. Permits and Pollution Problems
12. Hazardous Waste
13. Fire Services
14. Security
15. Safety Services
16. Personnel and Industrial Relations
17. First Aid Services
18. Food Services
19. Outside Restrooms
20. Lockers
21. Fueling Services
22. Telephone Services
23. Drydock

PHASE II - IMPLEMENTATION PROGRAM

Project

To increase the NASSCO South Site's repair capabilities. The usage of the site would not drastically change from how it is used in Phase Ia, except we would have the capability to drydock vessels.

1. Land and Water Facilities

Phase II will utilize all five parcels as shown in Exhibit J. Execute lease option on Parcels 2 and 5.

2. Repair Shops

The statement made in Phase Ia on repair shops will still apply. However, there probably will be a requirement for several additional portable buildings to support the drydock activities.

3. Repair Support Functions

In addition to the requirements stated in Phase Ia there will be a requirement for snagging and storage to support activities in the drydock.

4. Warehousing

All points made in Phase Ia warehousing will remain the same. Only change will occur with each contract requirement. It is anticipated that certain materials for the drydock construction activity will be warehoused on site in the ITT Building.

5. Office Functions

Same as Phase Ia office requirements. During the drydock construction phase a number of the ITT Building first floor offices will be required for project management.

6. Utilities

- The utility requirements at the wharf will remain the same as in Phase Ia.
- The utility requirements for the graving dock will virtually be the same as required at the wharf.

7. Navy Berthing, Messing and Parking

Requirements should basically remain the same as in Phase Ia. If number of ships at the facility increase the berthing and messing requirements will increase.

8. Material Handling and Lifting Capacities

Equipment for dockside repair work and associated warehousing should remain the same as in Phase Ia.

The additional handling equipment **will** be required to support drydock activities.

- a) 2 - 35-ton mobile cranes with **long** reach capabilities.
- b) 1 - 4-ton forklift
- c) 1 - 15-ton forklift

9. Interyard Transportation

Phase Ia requirements will also apply **to Phase II.**

10. Parking for NASSCO Employees

The number of parking spots will increase as repair activity picks up. During Phase II there still will be sufficient open space to the bay side of the ITT Building to accommodate the increased parking requirements.

Items 11 through 22 will remain unchanged from Phase Ia descriptions. The item **are**:

- 11. Permits & Pollution Problems
- 12. Hazardous Waste
- 13. Fire Services
- 14. Security
- 15. Safety Services
- 16. Personnel and industrial Relations
- 17. First Aid Semites
- 18. Food Services
- 19. Outside Restrooms
- 20. Lockers
- 21. Fueling Services
- 22. Telephone Services

23. Drydock (1)

The drydock will be made in such a way that ail desired ancillary equipment can be added at a later date. Such equipment will be dock-night system for blasting and painting, crane rails for gantry services, etc. All these ancillaries will be cost justified on their own ROI analysis.

- (1) Drydock size and location presently being analyzed for best market and best utilization of land.

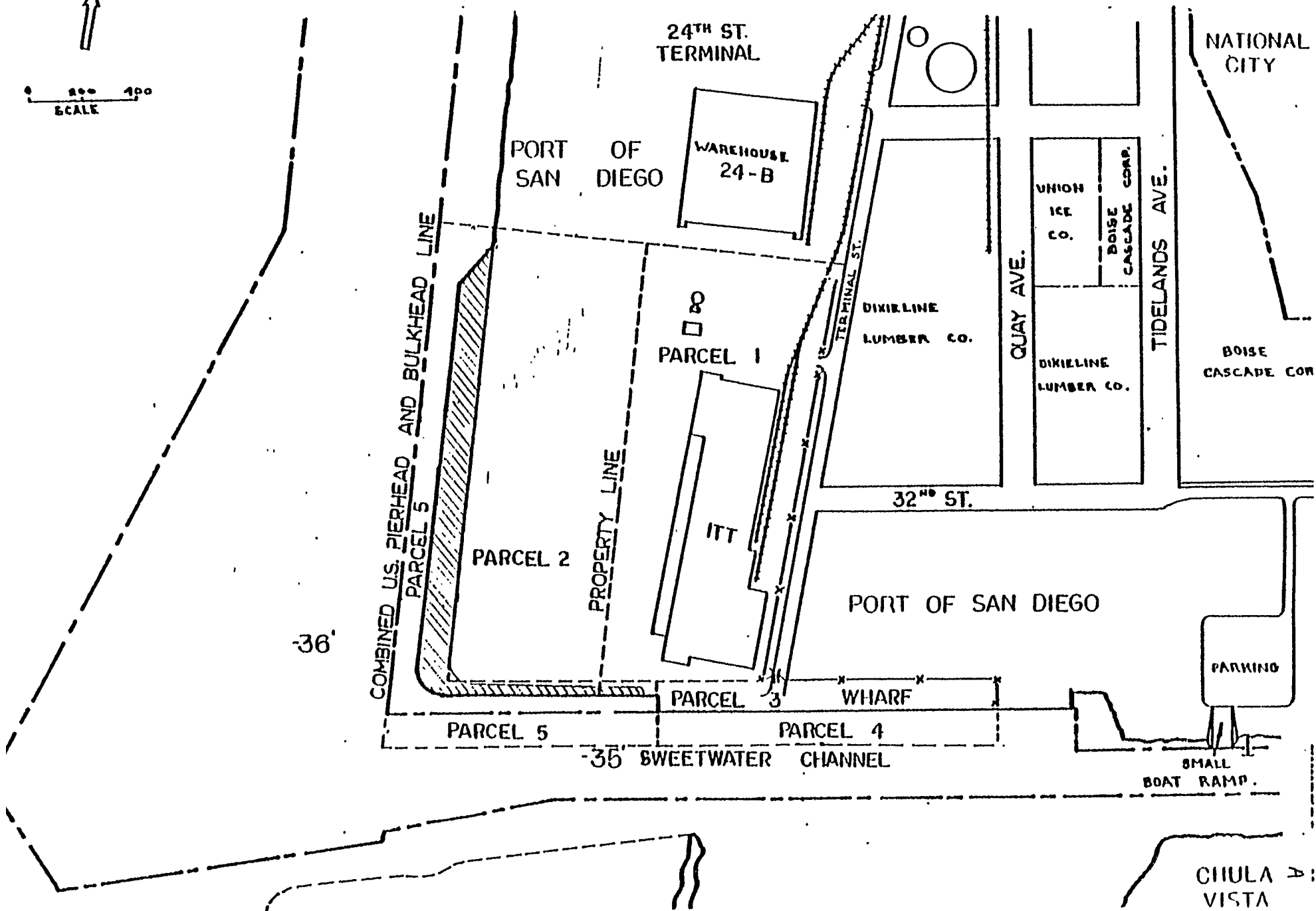
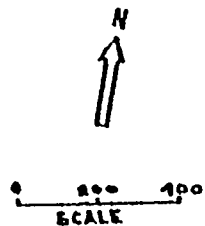
PHASE III - IMPLEMENTATION PROGRAM

At the present time, no implementation program has been established for Phase III. Each item that was mentioned for possible inclusion in Phase III will have its own implementation program as they each will be considered a major capital project.

LIST OF EXHIBITS

- A. **South** Site Parcel Locations
- B. **Phase** III ITT Building Plan
- C. **Phase** III South Site Utilization
- D. **Phase** Ia Land & Water Requirements
- E. Combatant Electronics Location in ITT Building
- F. South Site Utility Infrastructure
- G. Temporary Berthing & Messing Locations
- H. Phase Ib Land & Water Requirements
- J. Phase II Land & Water Requirements
- K. Comments on Previous ITT Site Use Report

PARCEL LOCATIONS:



PHASE III

① REPAIR SHOPS
25,000 SQ. FT.

② PIPE SHOP
60,000 SQ. FT.

③ SHEETMETAL SHOP
62,000 SQ. FT.

④ ELECTRIC SHOP
11,000 SQ. FT.

⑤ PRE-ERECTION OUTFITTING
15,000 SQ. FT.

▽ 1 WAREHOUSE
32,000 SQ. FT.

↑ ① OFFICES
8,000 SQ. FT.

↑ ② OFFICES
8,000 SQ. FT.

↑ ③ OFFICES
13,000 SQ. FT.

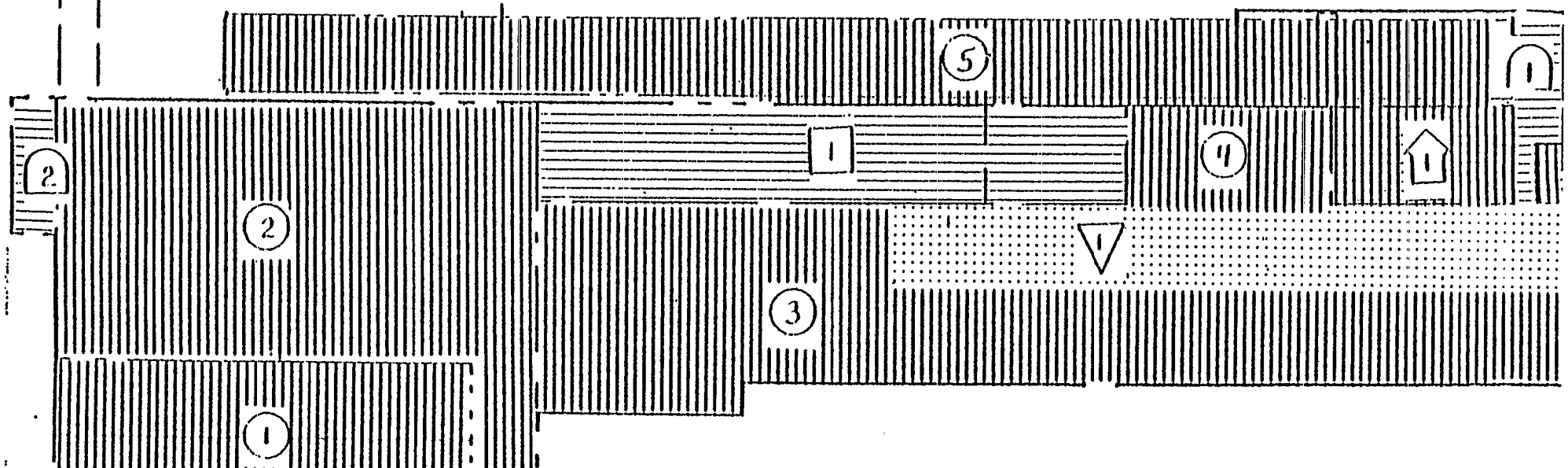
① COMBATANT ELECTRONICS
(CLEAN ROOM)
32,000 SQ. FT.

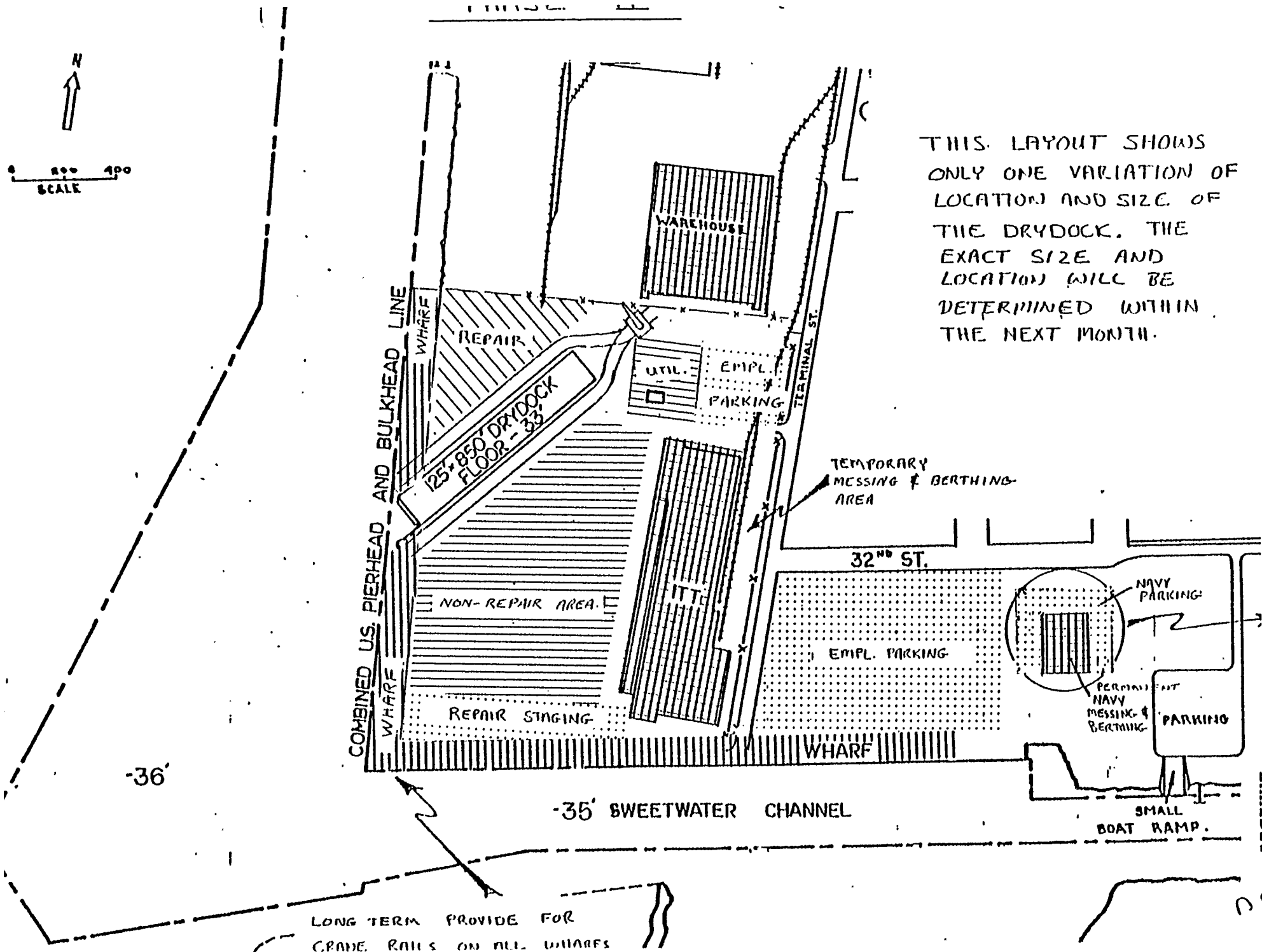
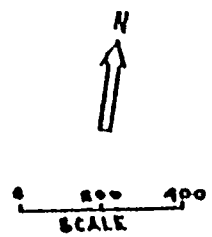
① MAINTENANCE DEPT.
5000 SQ. FT.

② BOILER / COMPRESSOR ROOM

— FOUR FL. LEVEL —

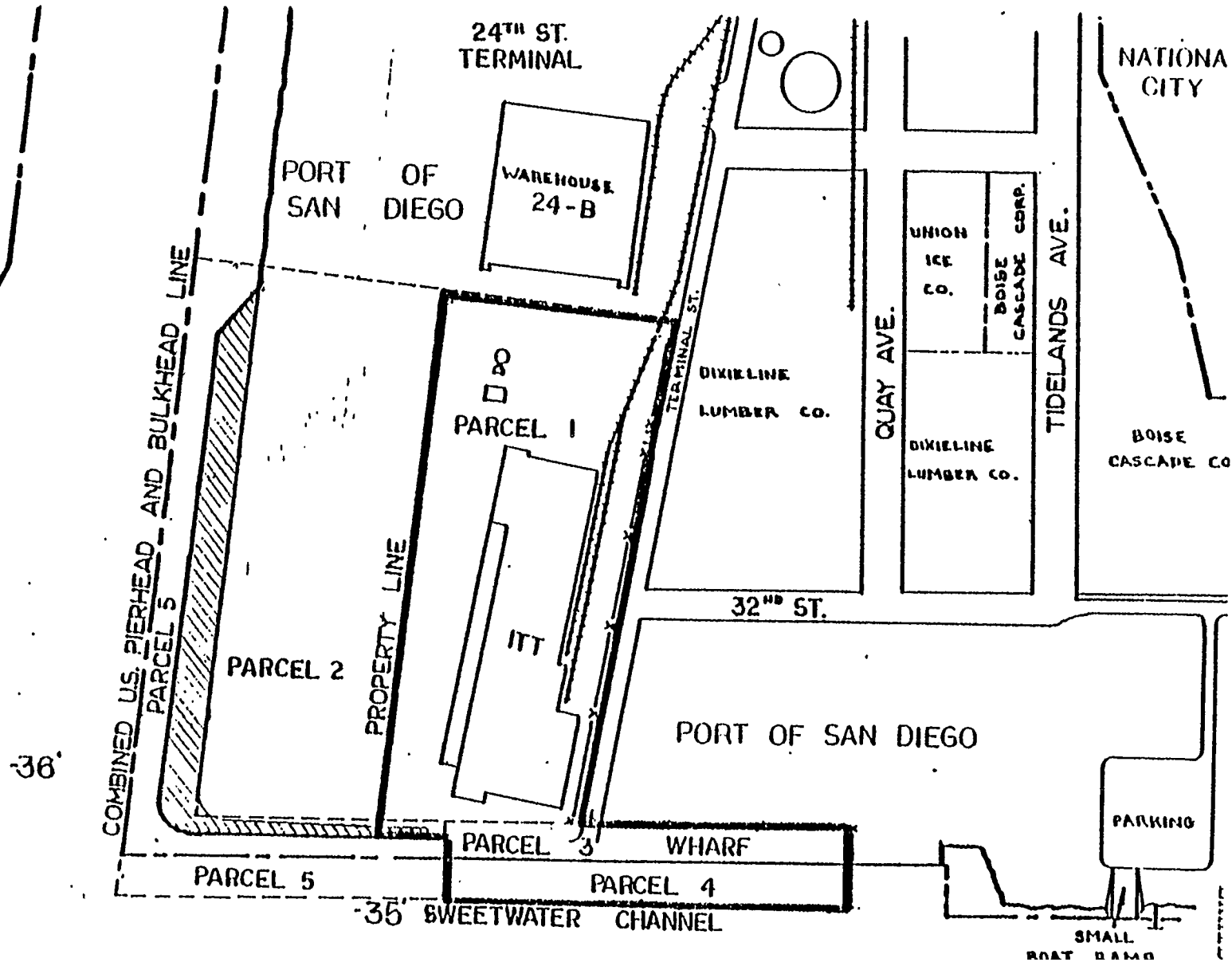
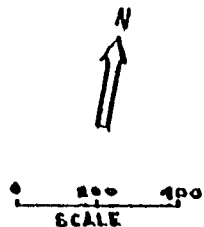
— THIRD FL. LEVEL —





THIS LAYOUT SHOWS ONLY ONE VARIATION OF LOCATION AND SIZE OF THE DRYDOCK. THE EXACT SIZE AND LOCATION WILL BE DETERMINED WITHIN THE NEXT MONTH.

PHASE Ia. LAND & WATER



COMBATANT ELECTRONICS LOCATION

- ① REPAIR SHOPS
25,000 SQ. FT.
- ② PIPE SHOP
60,000 SQ. FT.
- ③ SHEETMETAL SHOP
62,000 SQ. FT.
- ④ ELECTRIC SHOP
11,000 SQ. FT.
- ⑤ PRE-ERECTION OUTFITTING
45,000 SQ. FT.
- ▽ WAREHOUSE
32,000 SQ. FT.

↑ OFFICES
8,000 SQ. FT.

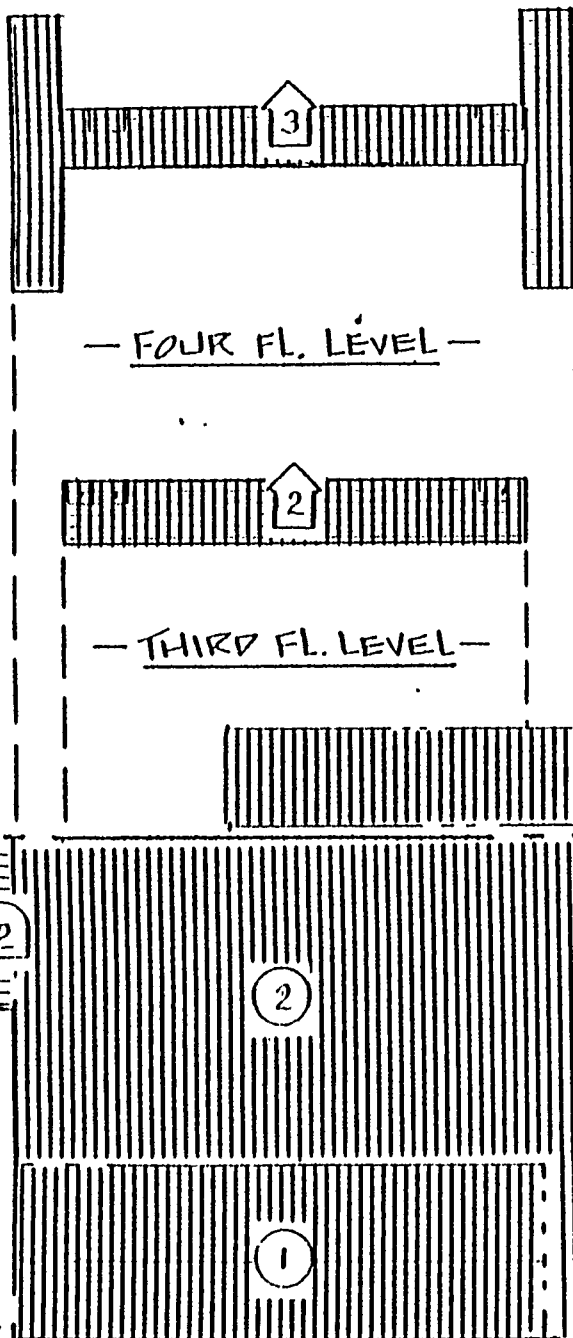
↑ OFFICES
8,000 SQ. FT.

↑ OFFICES
13,000 SQ. FT.

① COMBATANT ELECTRONICS
(CLEAN ROOM)
32,000 SQ. FT.

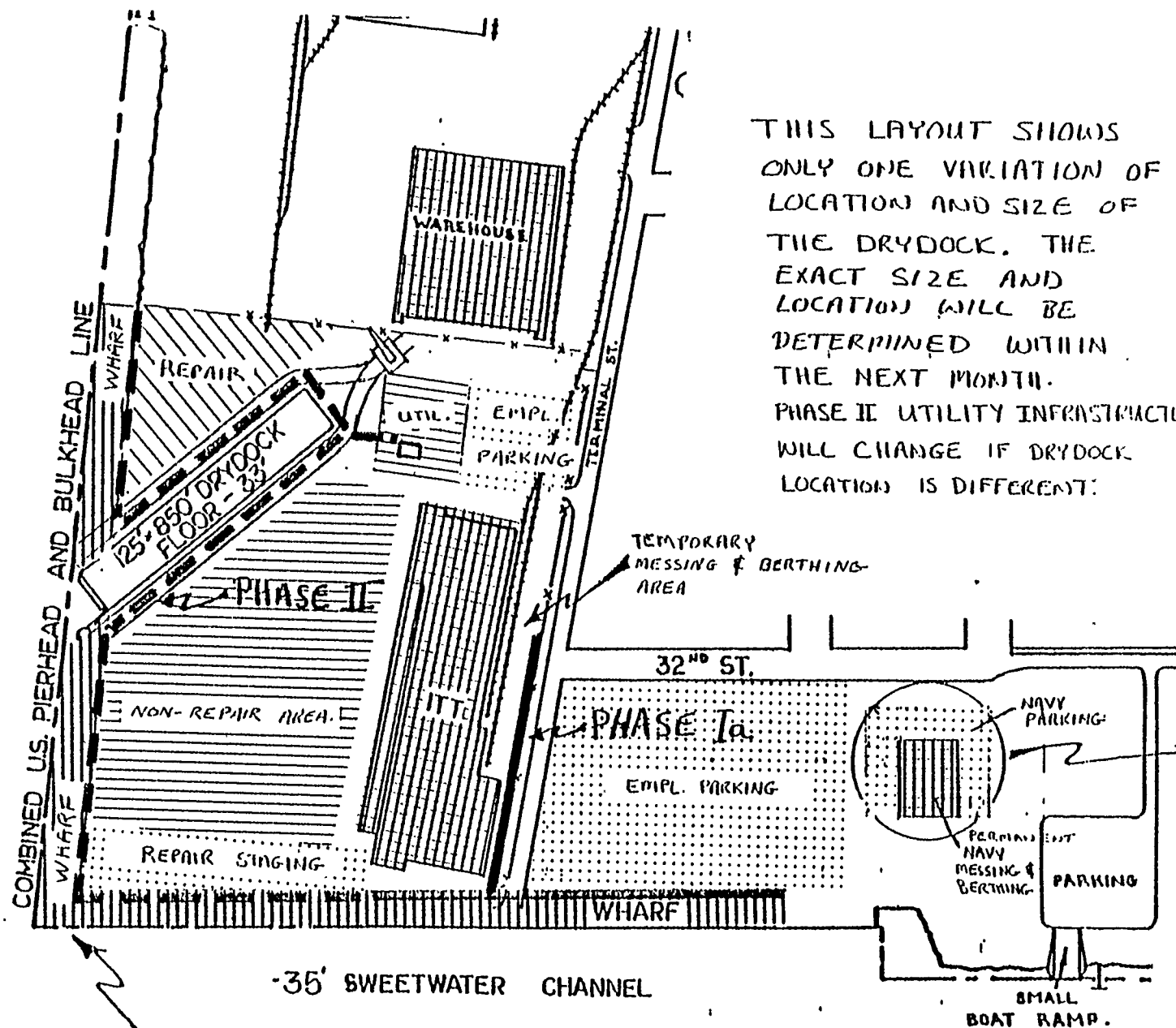
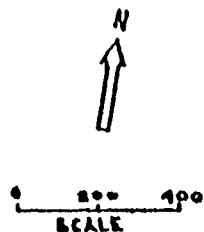
① MAINTENANCE DEPT.
5,000 SQ. FT.

② BOILER/COMPRESSOR ROOM



— FIRST FL. LEVEL —

UTILITY INFRASTRUCTURE



THIS LAYOUT SHOWS ONLY ONE VARIATION OF LOCATION AND SIZE OF THE DRYDOCK. THE EXACT SIZE AND LOCATION WILL BE DETERMINED WITHIN THE NEXT MONTH. PHASE II UTILITY INFRASTRUCTURE WILL CHANGE IF DRYDOCK LOCATION IS DIFFERENT.

-36'

BERTHING & MESLING LOCATIONS

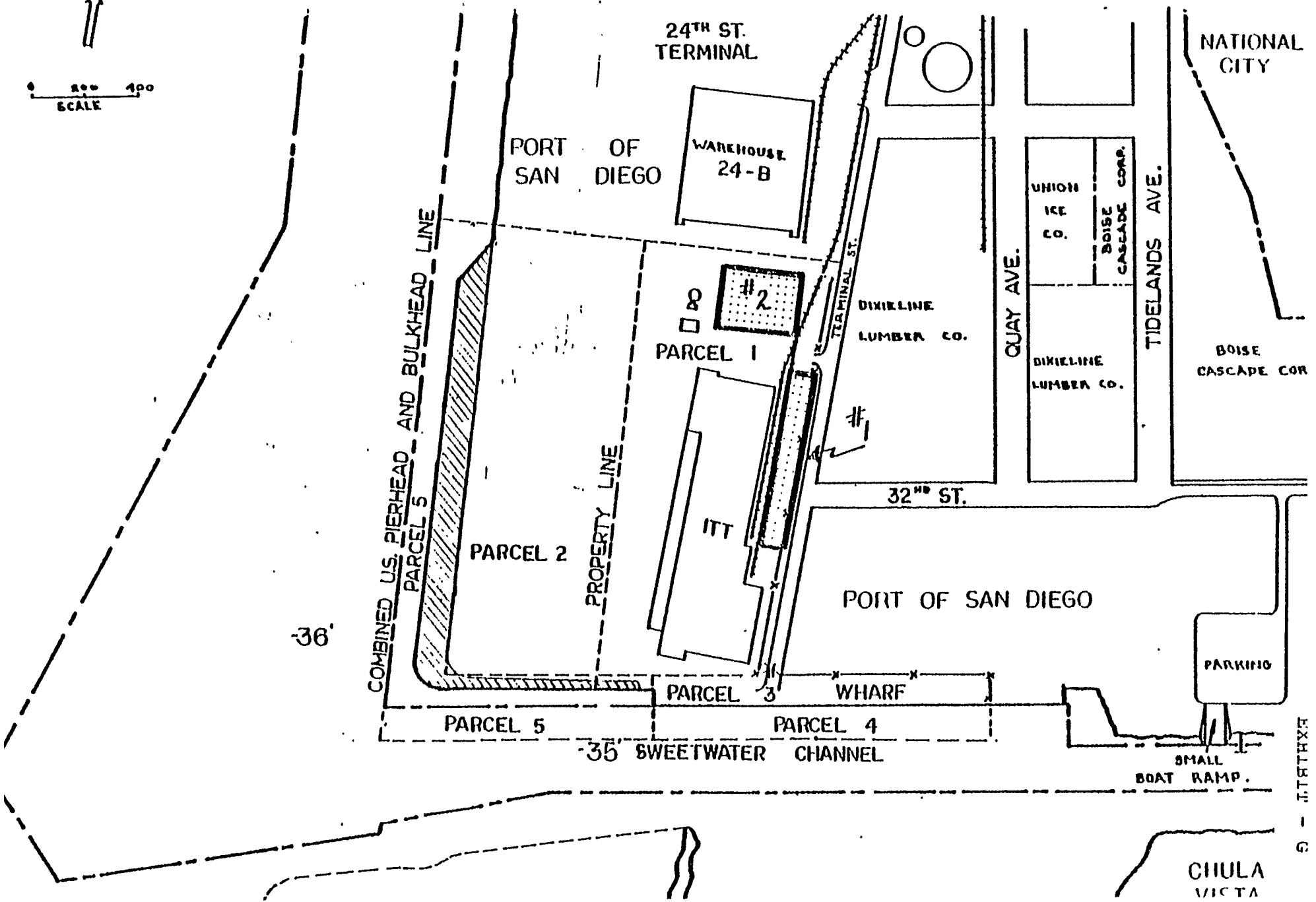
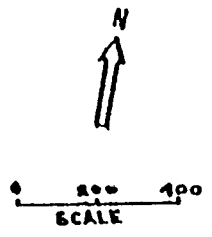
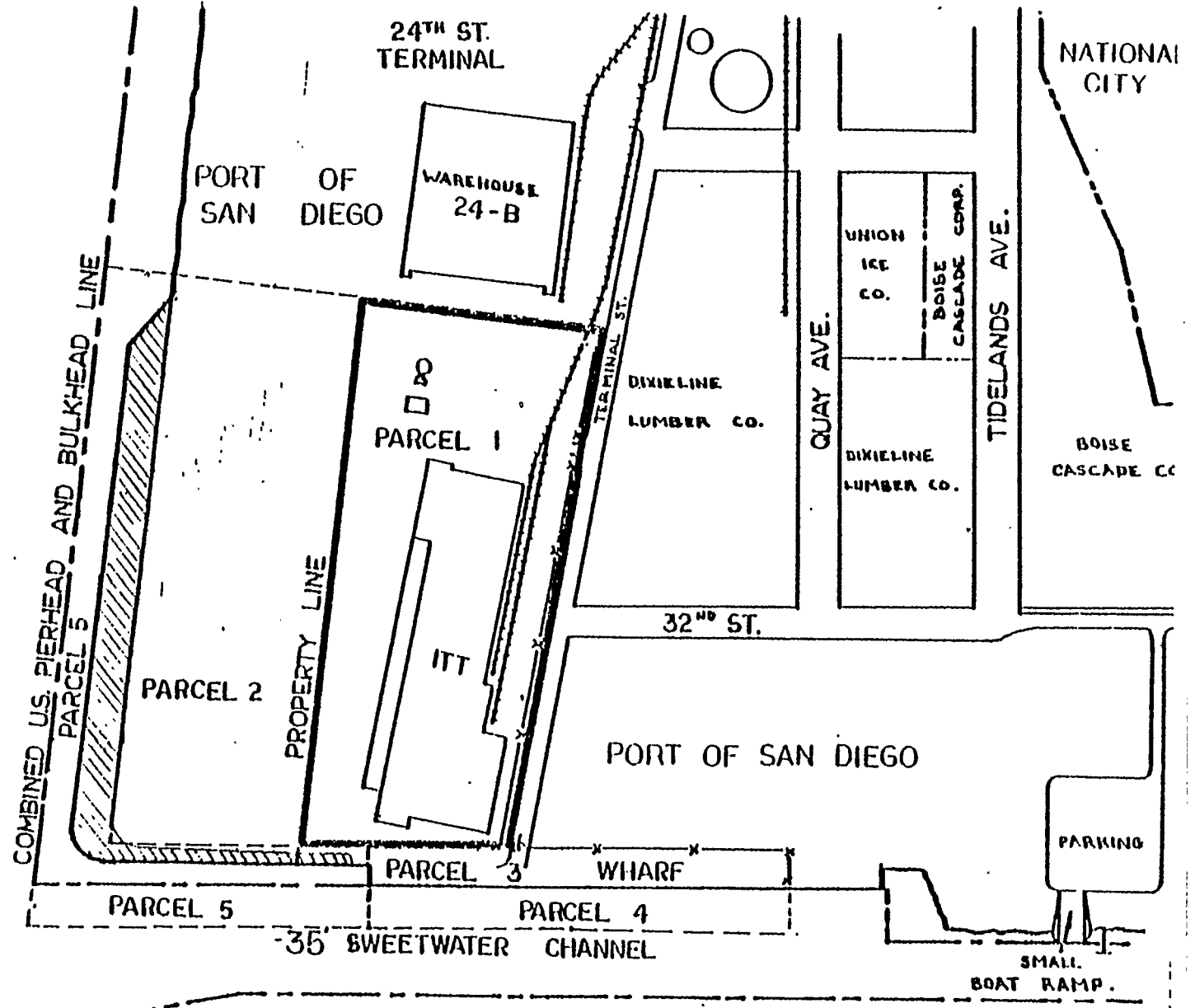
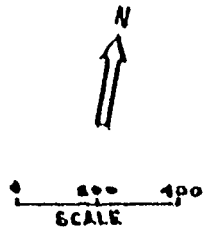
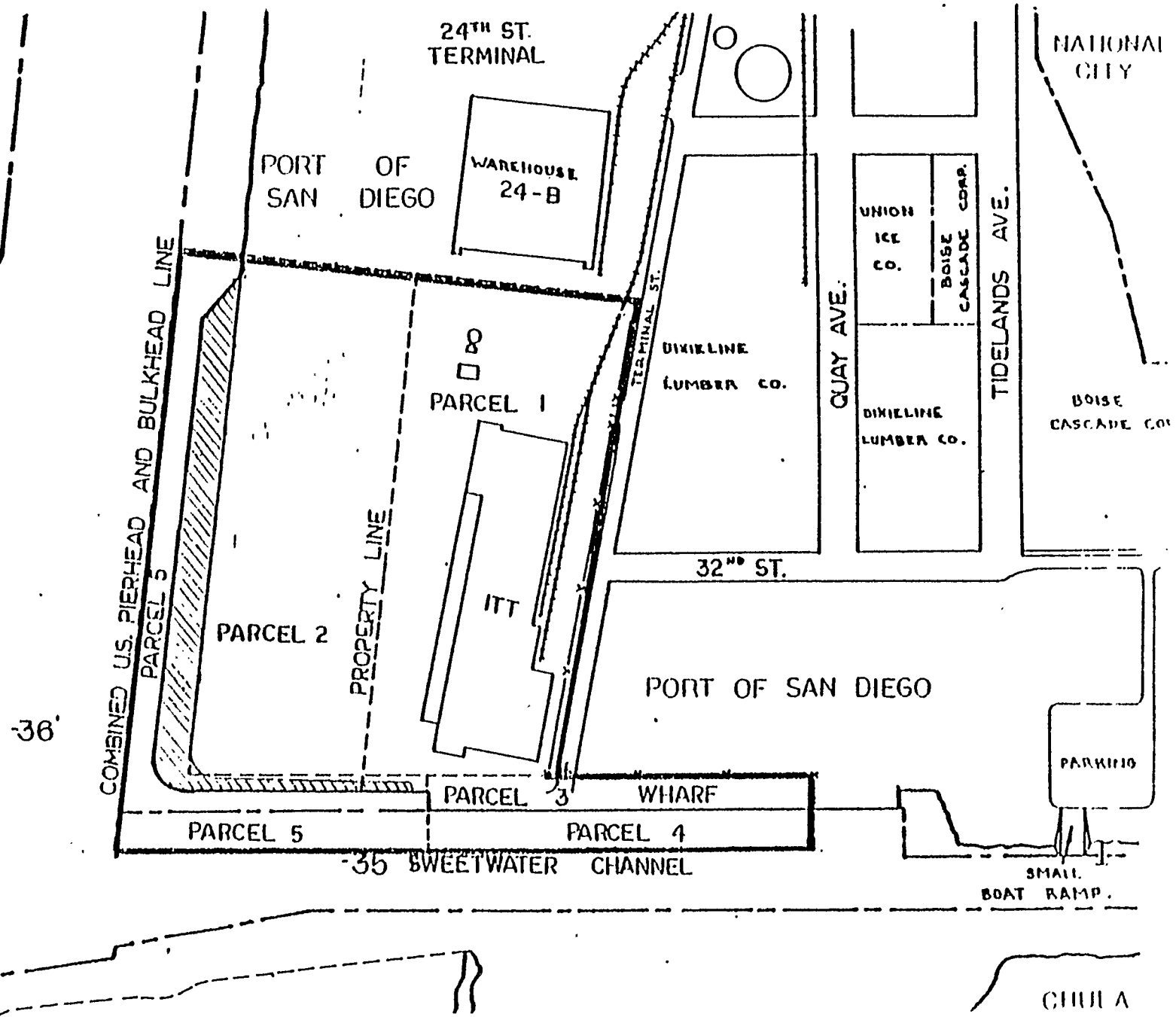
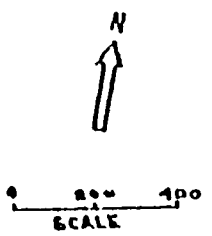


EXHIBIT - 5

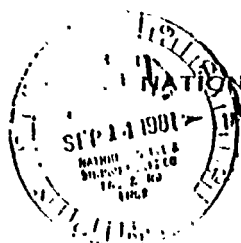
PHASE I.B. LAND & WATER



PHASE II LAND & WATER



Comments and Recommendations Received from NASSCOITES
on the Previous ITT Site Usage Report.



NATIONAL STEEL AND SHIPBUILDING COMPANY

INTER-DEPARTMENT MEMO

Date September 11, 1981

To: W. R. Ruecker Dept. _____
 Subject: Comments/Recommendations-ITT Site Potential Use Job No. _____
 From: Joseph P. Flynn Dept. _____

In accordance with your IBM dated September 3, 1981 soliciting comments and recommendations on the ITT usage report, I am listing below, by department, pertinent data received from those under industrial Relations jurisdiction:

Dept. 41, Personnel Services:

Item II, Parking for NASSCO Employees and Visitors - How many people will be employed in the various phases? In order to evaluate the adequacy of parking, we need to know how many people will work there. If Phase I maximum is 414 (Exhibit 3), parking is adequate.

Item 15, Personnel and Industrial Relations - Again, this is dependent on how many people are in the yard. We are at least one, possibly more, IR personnel (either Employ merit., Insurance, Labor Relations, etc.) to staff the site.

Items 12, Fire Services: and, 11, Security - The numbers seem a little low: however, may be sufficient initially.

Item 17, Food Services - Food service seems to be adequately handled. We would also want to have vending there.

Dept. 42, Medical Department:

The medical topics are essentially as discussed. No further comment at this time.

Dept. 45, Labor

Nothing Further to add at this time.

Dept. 46, Safety:

Safety input has already been included in the potential use report.

Dept. 47, Security/Fire:

(Please see attached report.)

Dept. 40, Worker's Compensation:

One additional person may be needed to prepare claim forms, etc., if the site becomes fully operational. Regularly scheduled trips should suffice for the first year.

SECURITY AND PLANT PROTECTION

SECURITY DAY ANNEX

Personnel and Equipment Requirements for Phase #1

Security Department

Gate House #1 - Twenty-four (24) hour, seven (7) days per week.

Gate House designed to allow pedestrian entry and exit from yard through a covered portion of the house. Gate House design to be submitted by this department if proposal approved.

1. Vehicle control - Gate opened electrically from inside Gate House
2. Pedestrian Control - Employees funnelled through Gate House passageway.
3. Radio Monitor - Same frequency as NASSCO Base.
4. Paging System - Wharf and construction areas.
5. Alarms - Fire, Flooding, etc.
6. Lighting Control - Ability to control exterior lighting from inside Gate House.
7. Closed Circuit T.V. and Monitor - Wharf and fence line. To be increased as other phases develop.
8. Telephones - Security only. No call-offs or general switch board activity.
9. Fire Phone.

Gate House #2 - Twelve (12) hours, Monday through Friday, 6:00 a.m. to 6:00 p.m. Already Operational.

1. Vehicle Control - Is electrically controlled from Gate House.
2. Pedestrian Control - Is controlled from Gate House.
3. Radio Monitor - Same frequency as NASSCO Base. Not, at present in Gate House.

Note: THIS GATE IS NOT RECOMMENDED. However Phase #1 shows office being used in the North portion of the Building. There are two (2) nice parking lots inside the perimeter fence line in this area and loading dock immediately inside the Gate.

The Gate may be essential because of the personnel working inside the North end of the Building and if Naval Personnel are messed and housed inside the perimeter fence.

It is strongly recommended that all Navy messing and housing be conducted on the East side of the Facility and North of the warf outside the perimeter fence.

Personnel - Full Time Employees.....Fourteen (14) Personnel

Gate House #1 - Five (5) personnel.

Gate House #2 - Two (2) personnel.

Clockrounds - Four (4) personnel.

Supervision - Three (3) personnel.

Single Shifts - There are six (6) clock round shifts on Saturday and Sunday. Considering the use of our subcontractor (Pinkerton) to fill these shifts.

Sick and Vacation relief to be handled with existing personnel.

Equipment -

One (1) Vehicle

Four (4) Bicycles

Four (4) Handy-larkies

Three (3) Clocks and sufficient numbers of keys

One (1) Scooter

Fire Department -

Work and Storage Area - Twenty-four (24) hours, seven (7) days per week.

Sufficient storage space for equipment list attached plus a repair and maintenance area.

1. Telephone - Both fire and in-plant.
2. Radio - Monitor - Same frequency as HASSCO Base.
3. Air - Extinguisher maintenance.
4. Water - Extinguisher Maintenance.

Personnel - Full Time Employees.....Thirteen (13) Personnel

Fire Inspector - Ten (10) personnel

Two (2) on each shift

One (1) Repair and Maintenance

One (1) Inspections

Supervision - Three (3) Personnel

Sick and vacation relief to be handled with existing personnel

Note: No rescue conducted by Fire Personnel. All production personnel trained to extinguish fire during inception stage. Fire personnel will extinguish fires, but will also look to get people to help.

Equipment - See list:

1. Extend existing firemain systems to the warf to provide firemain pressure to the Ships (as per drawing).
2. Provide sprinkler hook ups for all trailers and require all trailers equipped with sprinkler systems. This is especially critical for trailers being used for messing, berthing and recreation rooms.
3. Thirty-Five (35) fire trees to provide temporary firemain pressure protection on the ships.
4. Two-Hundred and Ten (210) fifty foot lengths of 1½" double jacket cotton fire hose with national pipe threads to equip fire trees.
5. One-Hundred (100) fifty foot lengths of 2½" double jacket cotton fire hose with national standard threads to equip fire trees.
6. Seventy-Five (75) all purpose plastic nozzles to equip fire trees.
7. Assorted coupling and adapters.
8. Twelve (12) slamoso fittings with check valves to provide an outlet to the City Fire Department or boost firemain pressure to the Ships.
9. Assorted spanner and pipe wrenches (non-sparking).
10. Twenty-Four (24) gauges for temporary firemain system (fire trees).
11. Twenty-Four (24) relief valves for temporary firemain system (fire trees).
12. Portable fire extinguishers, 150 water pressure (2½" GL) - 100 CO₂ - 50 Halon, to cover ships, yard, trailers, portable buildings, etc.
13. Fifty (50) pound pills of Purple "K" Powder for recharging PKP extinguishers (5) each.
14. Assorted spare parts for extinguishers and hoses.
15. Assorted hand tools for repairing extinguishers.

16. Paint storage locker.
17. Drying rack for fire hose.
18. Three (3) bio pack 60 breathing apparatus with spare cylinders.
19. Two (2) air line hose masks with regulators, hoses, and air cylinders.
20. Four (4) sets of turn out gear, helmets, gloves, coats, pants, and boots.
21. Three (3) rescue harnesses.
22. Six (6) tending lines.
23. Utility vehicle for transporting hose, extinguishers and making repairs on equipment.
24. Four (4) fire extinguisher boxes for lifting extinguishers on and off the ships.
25. Three (3) hand held flood lights.
26. Five (5) portable radios.
27. Two (2) Submersible pumps for the control of flooding.
28. Three (3) sets of portable salt water pumps for back up water supply (Two (2) supplied from this yard).

Items that are required by NAVSEA that must be provided by temporary services:

1. Back up electrical power and emergency lighting to be provided by temporary services.
2. Emergency alarm system to be provided by communication services.
3. Crane service to be provided by the Rigging Department.
4. De-watering equipment to be provided by the Pipe Test and Machinist Department.

NATIONAL STEEL AND SHIPBUILDING COMPANY

INTER-DEPARTMENT MEMO 24/81/67-65

Date Sept. 11, 1981

To J.R. RUECKER
Subject ITT Site Potential Use
From K.K. Christensen

Ref: (a) Your INI dated 9/3/81, same subject
(b) Report on Use of ITT Property dated 8/24/81

In response to reference (a), I offer the following comments.

- I feel that reference (b) is very well done and constitutes a good "straw man" for a long range start.
- I strongly recommend that serious consideration be given to establishment of the ITT facility as the HASSCO manufacturing facility (less steel) in addition to repair and overhaul facilities. This would include moving the machine shop to this facility in addition to the other shops contemplated being moved in Phase V. This will also require installation of a sandblast and paint facility for pipe assemblies.

By moving the machine shop to National City, all new construction office functions can be located in the same place in the building by constructing mezzanine floors. The advantages of having Engineering, Planning, Purchasing and New Construction management personnel located under one roof in close proximity is significant and obvious for coordination purposes.

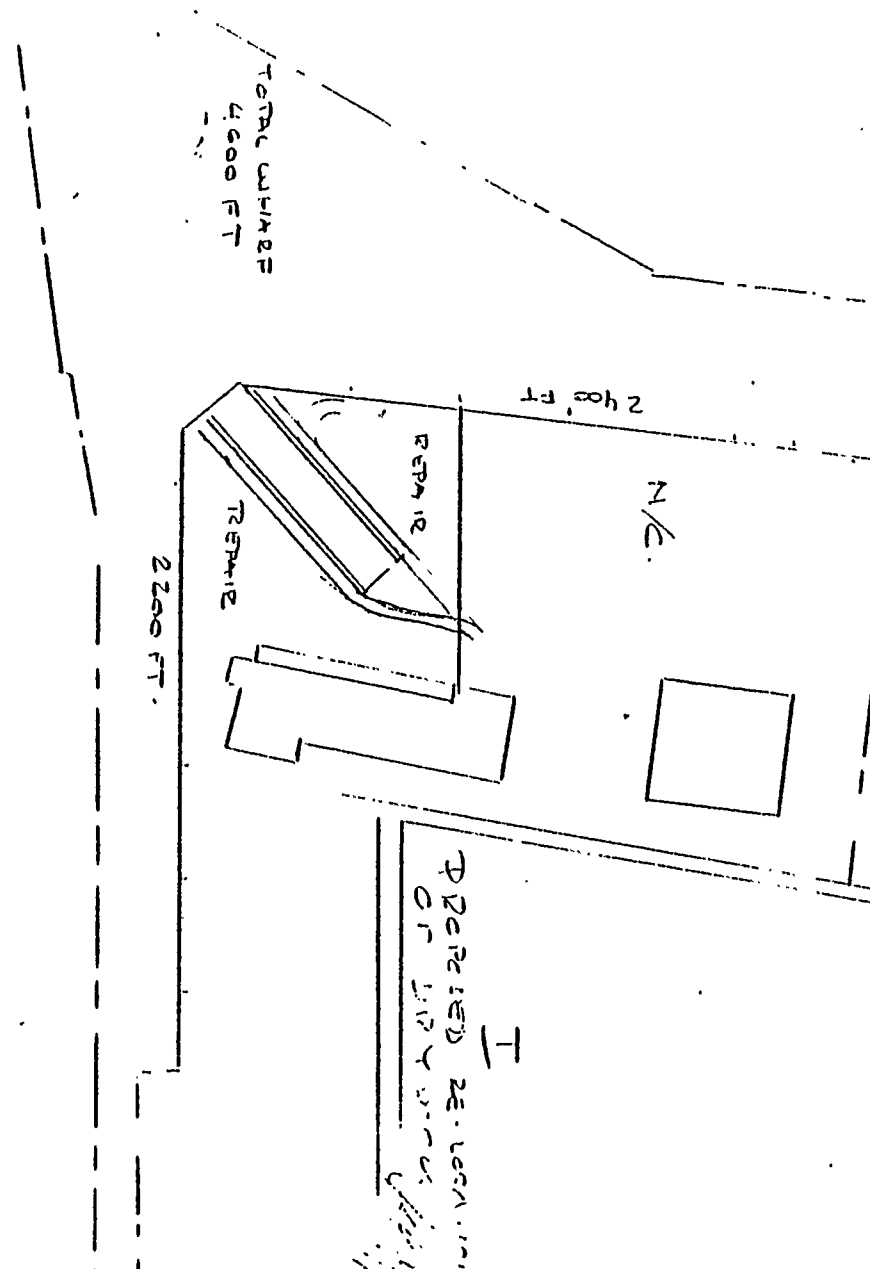
Additional benefits will accrue from freeing-up the valuable land occupied by the present Engineering building.

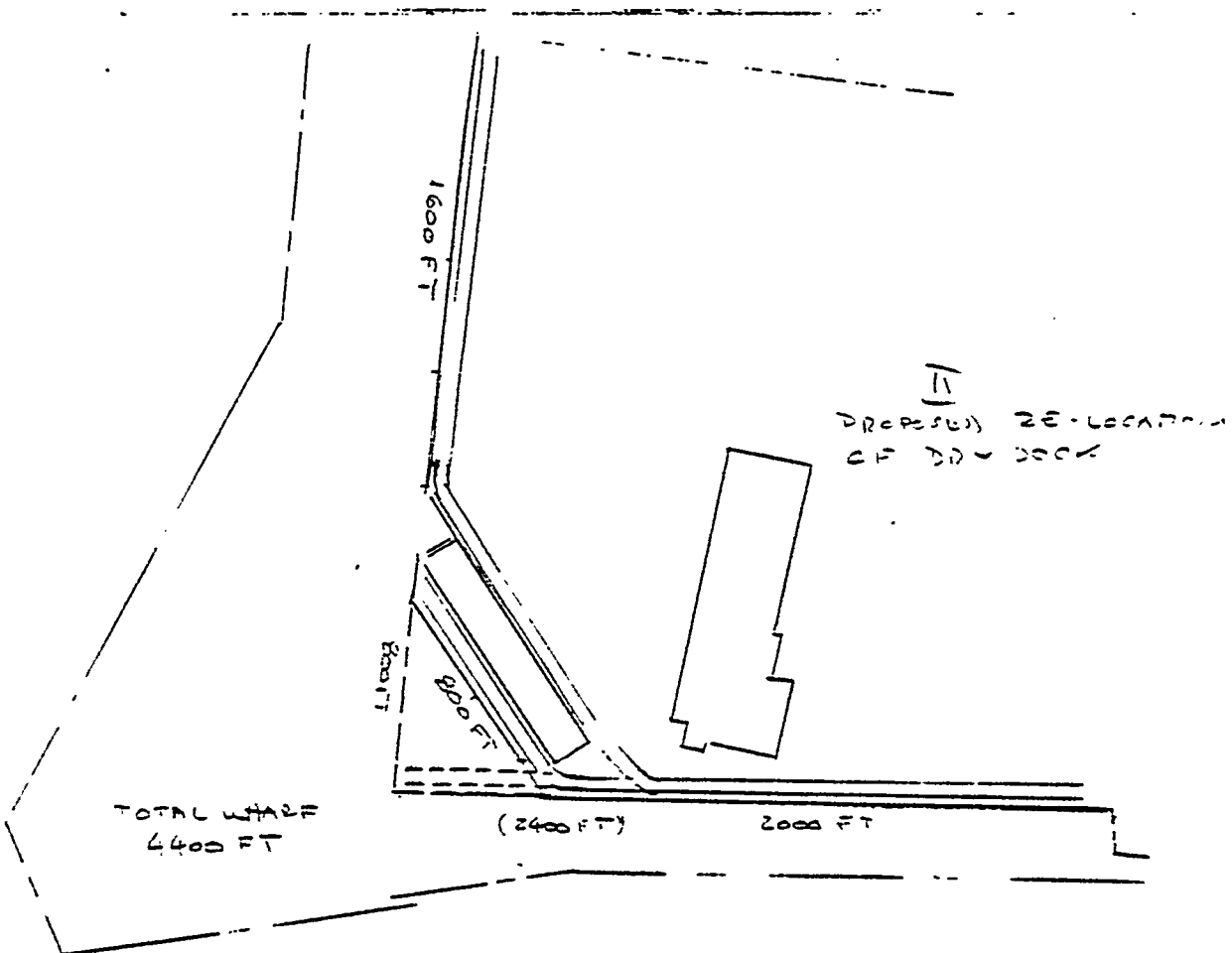
- I acknowledge the fact that the location of the proposed graving dock is only tentative and subject to change. I suggest that consideration be given to the attached two proposals for alternate locations.

Both proposals tend to minimize (I) or eliminate (II) the fragmentation of the available land area caused by the location of the drydock as shown in reference (b). Proposal II affords a very simple layout of crane service to all wharfs with only one switch. The disadvantage of II is the loss of some wharf footage (approximately 400 feet). The layout will still accommodate 6 DD-963 type ships end-to-end. Reference (b) and proposal I will accommodate 7 each using the same criteria (600 feet of pier space per ship). As mentioned earlier, proposal II leaves the acreage open that is now occupied by the Engineering building contiguous to the graving dock, allowing for maximum utilization.

The foregoing thoughts are forwarded for your consideration.

KRC/11





NATIONAL STEEL AND SHIPBUILDING COMPANY

INTER-DEPARTMENT MEMO

Date September 8, 1981

To J. R. Ruecker
Subject ITT Site Proposal
From J. Coleman *J.C.*

Having toured the subject site, I have only a few comments.

1. Overall size of site is adequate.
2. Appears to be a great loss of space unless 2nd and 3rd floors are installed with either freight elevators or ramps and/or both.
3. Designated office space is adequate, but will require extensive revamping to become functional. Not enough restrooms.
4. Recommend that Repair Purchasing be moved to new site to maintain liaison with Requisition Processing and Repair Shops.
5. Second entrance into site adjacent to Building Two (2) for repair personnel.

NATIONAL STEEL AND SHIPBUILDING COMPANY

INTER-DEPARTMENT MEMO

Date 09/14/81

To File
Subject ITT Usage Report
From J.R. Ruecker

Dave Haugland, Supr. Repair Planning, Scheduling and Progress called and indicated he had no recommendations.

JRR/yr

NATIONAL STEEL AND SHIPBUILDING COMPANY

INTER-DEPARTMENT MEMO

Date 9/16/01

To FILE
 Subject ITT SITE USAGE REPORT
 From J. R. Ruecker

Comments on ITT Usage Report per Al Giorgio, Vice President Technical. His comments in general were as follows:

- Should only use those portions of the NASSCO South Site for repair that is really required to support a repair operation.
- Use South Site for new functions such as combatant systems.
- Use South Site to move Main Yard shops that are cost justified and fit into the Long Range Plan for NASSCO's Facilities Development Program.

JRR/pkw

NATIONAL STEEL AND SHIPBUILDING COMPANY

INTER-DEPARTMENT MEMO

Date 9/09/01

To FILE
 Subject ITT SITE USAGE REPORT
 From J. R. Ruecker

Comments on ITT Usage Report per Jim Paulson, Manager Safety. His comment in general was:

- A lab area should be set up in the ITT Building clean room lab area. This is an area that could be used to support a chemical analysis function which is currently performed by outside concerns at an extreme cost.

JRR/pkw

NATIONAL STEEL AND SHIPBUILDING COMPANY

INTER-DEPARTMENT MEMO

Date 9/11/81
To FILE
Subject ITT SITE USAGE REPORT
From J. R. Ruecker
Dept

Comment on ITT Usage Report via telephone conversation with Ed Selich, Chief Estimator Repair. His comment in general was:

- All offices relating to the repair function should remain under one roof whether it be in the Main Yard or the NASSCO South Site.

JRR/pkw

NATIONAL STEEL AND SHIPBUILDING COMPANY

INTER-DEPARTMENT MEMO

Date 9/11/81
To FILE
Subject ITT SITE USAGE REPORT
From J. R. Ruecker
Dept

Comments on ITT Usage Report via telephone conversation with Ray Newkirk, Assistant Superintendent Outfitting.

His comments in general where as follows:

- Proposed drydock should be able to handle NASSCO's largest built tanker (San Diego Class).
- Should provide for an area for scaffolding erection and inspection very similar to the 28th Street mole pier area.
- Should have a repair carpenter shop to support the drydock. Shop should be similar to the existing 28th Street mole pier carpenter shop.
- Make sure drydock will have sufficient dry air to handle all trades plus air for skydivers.

JRR/pkw

NATIONAL STEEL AND SHIPBUILDING COMPANY

INTER-DEPARTMENT MEMO

Date 9/11/01

To FILE
Subject ITT SITE USAGE REPORT
From J. R. Ruecker

Comment on ITT Usage Report per Joe Plasmeyer, Manager
Combat Systems. His comment in general was:

- ° Repair Electronics should be moved to NASCO South
Site. Repair Electronics includes Combat Systems
and would only require a small area to start. Joe
will get with Don White to work up area requirements.

JRR/pkw

NATIONAL STEEL AND SHIPBUILDING COMPANY

INTER-DEPARTMENT MEMO

Date 9/11/01

To FILE
Subject ITT SITE USAGE REPORT
From J. R. Ruecker

Comment on ITT Usage Report via telephone conversation
with Roy McNab, General Foreman, I/R Shop. His comment
in general was:

- ° Machine Shop functions for Repair should not be
separate from the rest of the Machine Shop. They
need to be together to eliminate confusion.

JRR/pkw

NATIONAL STEEL AND SHIPBUILDING COMPANY

INTER-DEPARTMENT MEMO

Date 9/16/81

To FILE
Subject ITT SITE USAGE REPORT
From J. R. Ruecker

Dept

Job No

Dept

Comments on ITT Usage Report via telephone conversation with Loyd Heystrom, General Foreman Transportation. His comment in general was of a technical nature dealing with specifics on Material Handling Equipment.

- ° Indicated a 15 ton forklift should be used instead of a 10 ton lift.
- ° The 1/2 ton pickup in the report should have been a 3/4 ton.
- ° The 20 ft. stake truck should be 2½ tons not 1½ tons.
- ° The 10' x 40' flat bed trailer should have been 8' x 40'.

JRR/pkv

SOUTH SITE
FACILITIES DEVELOPMENT
PLAN

NATIONAL STEEL AND SHIPBUILDING COMPANY

INTER-DEPARTMENT MEMO

Date..... October 21, 1981

To:..... Distribution Dept.....
Subject:..... South Site Development Job No.....
From:..... J. R. Ruecker Dept.....

This report covers the costs and timing of the South Site development from a Facilities standpoint. The data contained in this report is only intended to be used for reference as I understand that Fred Hallett will prepare the final report for the Nov. 6th M-K Board Meeting (if, in fact, Mr. McMurren and French decide that a report/presentation is required).

JRR/mc

Distribution

K. Cooley
C. L. French
F. Hallett
L. Haumschilt
S. Timmons

cc: A. Giorgis
J. Lightbody
A. Lutter
R. Vortmann

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COST RECAP

	<u>CAPITAL</u>	<u>EXPENSE</u>	<u>REVENUE</u>
BASIC FACILITIES and ANCILLARIES	32,657,780	1,287,638 + 32,915/mo.	<180,000>
ADDITIONAL REQUIREMENTS for DD-963 CONTRACT	142,900	61,300/mo.	-0-
<hr/>			
TOTALS	\$ 32,800,689	\$ 1,287,638 + 94,215/mo.	\$<180,000>

BASIC FACILITIES AND ANCILLARIES

BASIC FACILITIES AND ANCILLARIES - CAPITAL EXPENSES

ITEM	7/4/81 ESTIMATE	10/7/81 ESTIMATE	VARIANCE	FOOT NOTES
1. ITT BUILDING	<u>6,000,000</u>	<u>6,000,000</u>	-0-	
2. DRYDOCK				
Site Preparation	2,135,000	2,476,000	341,000	(1)
Drydock Construction	6,018,000	5,814,000	<204,000>	(2)
Cellular Construction	2,630,000	3,280,000	650,000	(3)
Concrete Slab	4,600,000	5,340,000	740,000	(1)
Gate & Gate Seat Const.	450,000	700,000	250,000	(4)
Dock Unwavering Pump	100,000	200,000	100,000	(1)
Contractor Indirect Costs	1,100,000	1,323,000	223,000	(5)
Incentive Fee Target	1,408,000	1,601,000	193,000	(5)
Contingencies	1,792,000	2,039,000	247,000	(5)
Engineering	800,000	809,000	9,000	(5)
Docking Blocks	750,000	550,000	<200,000>	(6)
Permits	- 0 -	50,000	50,000	(7)
Basic Wall Cap Structure	- 0 -	462,000	462,000	(7)
DRYDOCK TOTAL	<u>21,783,000</u>	<u>24,644,000</u>	2,861,000	
3. ANCILLARIES				
Wharf Utilities	500,000	362,000	62,080	(4)
Drydock Utilities & Misc.	1,750,000	1,451,700	<298,300>	(4)
ANCILLARY TOTALS	<u>2,250,000</u>	<u>2,013,780</u>	<236,220>	
TOTAL	\$30,033,000	\$32,657,780	\$2,624,780	

FOOTNOTES :

- (1) Increased cost due to increasing drydock size from 125' X 850' to 130' X 925'.
- (2) Decrease in wall cost is a direct result of the increased number of cells used for drydock walls.
- (3) Increased use of cells from 10 to 26 for drydock walls to allow reducing the angle of dock to pier head line to be able to face dock northward into channel.
- (4) Refined estimate.
- (5) Increase related to increase in direct costs.
- (6) Decrease is a result of using 180 existing blocks from main yard building dock. (Total quantity of blocks is 550 which will handle one DD-963.)
- (7) Cost overlooked in first estimate.

PROJECT SCHEDULE SHEET

Covering Basic Facilities & Ancillaries
Distribution

Status as of
Reported by

Plant
By
Date

No and/or Description Work to do; Action to take		1981			1982												1983												1984												
		O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	
LAND & WATER FACILITIES																																									
Acquire ITT Bldg.	Cap																																								
Purchase Lease Option Agreement	Exp																																								
Rent ITT Parcel	Exp																																								
Rent Wharf	Exp																																								
Rent Adjacent Water Area	Exp																																								
Rent 20 Acres West ITT	Exp																																								
DRYDOCK																																									
Site Preparation	Cap																																								
Drydock Construction	Cap																																								
Cellular Construction	Cap																																								
Concrete Slab	Cap																																								
Gate & Gate Seat Const.	Cap																																								
Dock Unwatering Pump	Cap																																								
Indirect Costs	Cap																																								
Incentive Fee	Cap																																								
Contingencies	Cap																																								
Engineering	Cap																																								

PROJECT SCHEDULE SHEET

Covering Basic Facilities & Ancillaries

Distribution:

Status as of
Reported by

Plant

By

Date

Proj. No. and/or Description	Work to do; Action to take	1981			1982												1983												1984													
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Docking Blocks	Cap																																									
Permits	Cap Exp																																									
Basic Wall Cap.	Cap																																									
3. ANCILLARIES																																										
3.1 Wharf Utilities	Cap																																									
3.2.1 Drydock Utilities	Cap																																									
3.2.2 Repair Support Shops/ Storage	Cap																																									
3.2.3 Warehousing	-0-																																									
3.2.4 Offices	Cap Exp																																									
3.2.5 Matl. Handling Equip.	Exp																																									
3.2.6 Interyard Transportation	Exp																																									
3.2.7 Hazardous Waste	Exp																																									
3.2.8 Fire Services	Cap																																									
3.2.9 Security	Cap																																									
3.2.10 Safety Services	Cap																																									
3.2.11 Personnel & Industrial Relations	-0-																																									
3.2.12 First Aid Services	Cap																																									
3.2.13 Food Services	Exp																																									

PROJECT SCHEDULE SHEET

Covering Basic Facilities & Ancillaries
Distribution.

Covering Distribution.	Basic Facilities & Ancillaries	Status as of Reported by
1	2	3
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13	14	15
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BASIC FACILITIES AND ANCILLARIES

ITEM	CAPITAL	EXPENSE	REVENUE
1. <u>Land and Water Facilities</u>			
• Acquire Itt Building	6,000,000		
• Purchase lease option agreement		247,044	
• ITT Parcel: Rental will be at the current rate of 28¢ per sq. ft. per year (845,417 sq. ft.).		236,716	
• Wharf: Rental on 846 ft. plus 350 ft. of wharf. Note that rental is paid on the 350 ft. whether used or not.		384,840	
• Water area adjacent to wharf: to be negotiated at the time the lease is exercised. This would be based on the fair rental value; current water rate is 7¢ per sq. ft. per year. By January 1982 this is expected to be about 9¢. (179,400 Sq. ft.)		1,6,146	
• 20 acres of bare land west of the ITT properly and adjoining water on the Sweetwater channel. Both land and water rentals will be negotiated at time the option is exercised. The rental rates in 1982 are expected to be:			
- Land @ 39¢ per sq. ft. (853,129 sq. ft.)		332,720	
- Water @ 9¢ per sq. ft. (264,135 sq. ft.)		23,772	
FACILITY TOTALS	6,000,000	1,241,239	- 0 -

BASIC FACILITIES AND ANCILLARIES - Cont.

ITEM	CAPITAL	EXPENSE	REVENUE
1. <u>Drydock</u>			
● Site Preparation (\$2,476,000)			
- Onsite cut & fill	702,000		
- Excavation to disposal	1,246,000		
- Shoreline riprap	528,000		
● Drydock Construction (\$5,814,000)			
- Paving & site drainage	1,080,000		
- Drydock wall construction	3,674,000		
- Construction dewatering	150,000		
- Pump sump & underdrain system	480,000		
- Stairs, rubstrip, mooring ftg., misc.	430,000		
● Cellular Construction (\$3,280,000)			
- Cellular sheet pile construction	2,760,000		
- Cellular cofferdam construction	520,000		
● Concrete Slab	5,340,000		
● Gate & Gate Seat Construction	700,000		
● Dock Unwatering Pump	200,000		
● Contractor Indirect Costs	1,323,000		
● Incentive Fee Target	1,601,000		
● Contingencies	2,039,000		
● Engineering	809,000		
● Docking Blocks	550,000		
● Permits (\$50,000)- For South Site In General			
- APCD (Air Pollution Control District)		1,000	
- Corps of Engineers		-0-	
- Coastal Authorities		200	
- Port of San Diego		-0-	
- NPDES (National Pollution Discharge Elimination Systems)		500	

BASIC FACILITIES AND ANCILLARIES - Cont.

ITEM	CAPITAL	EXPENSE	REVENUE
- SPCCM (Spill Prevention, Control & Counter Measures)		500	
- Industrial Discharges, City of San Diego/ National City		500	
• For Drydock			
- APCD		5,000	
- Corps of Engineers			
• Consulting Fees	20,000		
• Mitigation Costs	30,000		
- Coastal Authorities		200	
- Port of San Diego		-0-	
- NPDES		500	
- SPCCM		500	
- Industrial Discharge		500	
• Basic Wall Cap Structures	462,000		
DRYDOCK TOTALS	24,644,000	9,400	-0-

BASIC FACILITIES AND ANCILLARIES - Cont.

ITEM	CAPITAL	EXPENSE	REVENUE
<u>ANCILLARIES</u>			
3.1 <u>Wharf Utility Retro-Fit</u>			
- Sewer:			
720 Ft. Trench and Pipe @ \$30 per Ft.	21,600		
1500 Ft. Pipe @ \$12 per Ft.	18,000		
1200 Ft. Pipe @ \$ 8 per Ft.	9,600		
One Lift Station	25,000		
- Electrical, Gas and Telephone Trench			
1380 Ft. @ \$26 per Ft.	35,880		
- Water:			
600 Ft. Pipe @ \$20 per Ft.	12,000		
- Electrical	440,000		
Two - 3000 KVA Sub-Stations			
1380 Ft. - 12,000 V Cable			
Two - Short Power Stations			
Six - Power Panels			
WHARF UTILITIES TOTALS	562,080	-0-	-0-
3.2 <u>Drydock Utilities & Miscellaneous Ancillaries</u>			
3.2.1 <u>Drydock Utilities</u>			
- Sewer:			
2850 Ft. Pipe @ \$30 per Ft.	85,000		
One Lift Station	20,000		
- Electrical, Gas & Telephone Trench			
1150 Ft. @ \$35 per Ft.	40,250		

BASIC FACILITIES AND ANCILLARIES - Cont.

ITEM	CAPITAL	EXPENSE	REVENUE
- Electrical:	360,000		
Two - 2000 KVA Sub-Stations			
Ten - 400 Amp Panels			
- Water:			
2850 Ft. Pipe @ \$15 per Ft.	42,750		
- Natural Gas System	150,000		
- Compressed Air:			
One 60' x 40' Pole/roof structure with ten compressor air pads	60,000		
Six - 2000 CFM Compressors with switches	360,000		
2850 Ft. Pipe/Trench @ \$30 per Ft.	85,500		
- Fire Protection			
2850 Ft. Pipe @ \$30 per Ft.	85,500		
DRYDOCK UTILITIES TOTAL	1,289,000	-0-	-0-
3.2.2 <u>Repair Support Shops/Storage</u>			
• Install fence to enclose storage and staging area alongside wharf; includes gates and movable east end. 1500 lineal feet @ \$10.00/Ft.	15,000		
• Rehab. area inside ITT building for repair shops/ storage areas. 1000 sq. ft. @ \$5.00/sq. ft.	5,000		
• Fence for sectioning areas off by trade.	6,000		
SUPPORT SHOP TOTALS	26,000	-0-	-0-

BASIC FACILITIES AND ANCILLARIES - Cont.

ITEM	CAPITAL	EXPENSE	REVENUE
3.2.3 <u>Warehousing</u>			
● Move in existing off-site warehousing which can be moved to the ITT building economically. 150,000 sq. ft. at 20¢ per sq. ft. (avg.) if present warehousing is consolidated.			<360,000>
● Lease out ITT building on a short-term lease until required by NASSCO. 150,000 sq. ft. at 10¢ per sq. ft. per mo. (avg.).			<180,000>
WAREHOUSING TOTALS	-0-	-0-	<180,000>*
*Used rent-out rate for conservatism.			
3.2.4 <u>Offices</u>			
● Rehab. 3000 sq. ft. of third floor for repair support offices @ \$10.00 per sq. ft.		3,000	
● Rehab. entire fourth floor for Navy/Supships personnel offices.	40,000		
OFFICE TOTALS	40,000	3,000	- 0 -
3.2.5 <u>Material Handling Equipment</u>			
* TWO 4 ton Forklifts		2,000/mo.	
● One 15 ton Forklift		1,600/mo.	
● One 3500 lb. Highlift Forklift		1,000/mo.	
● One 60 ton Mobile Crane, 150 ft. Boom		8,500/mo.	
● One 80 ton Mobile Crane, 150 ft. Boom		10,000/mo.	
● One 35 ton Hydro-Crane		6,500/mo.	
● One Large Barge Mounted Crane only when required (rent - \$4,000/day)		-0-	
MATERIAL HANDLING TOTALS	-0-	29,600/mo.	- 0 -

BASIC FACILITIES AND ANCILLARIES - Cont.

ITEM		CAPITAL	EXPENSE	REVENUE
<u>3. 2.6 Interyard Transportation</u>				
Ž One Standard 3/4 ton Pickup				
Ž One 12 Ft. Stake Truck 1-ton			205/mo	
● One 20 Ft. Stake Truck 2-1/2-ton			430/mo.	
Ž One 8' x 40' Flat Bed Semi-Trailer			600/mo.	
Ž One 40' x 80' Barge (a)			2,000/mo.	
Ž Four Automobiles (b)			-0-	
			-0-	
TRANSPORTATION TOTALS		-0-	3,315/mo.	- 0 -
(a) Use existing main yard barge.				
(b) Convert four executive autos into T/P Pool.				
<u>3.2.7 Hazardous Waste</u>				
I ● Fence in storage area for waste materials				
25' x 25' @ \$10.00/Ft.			1,000	
WASTE TOTALS		- 0 -	1,000	- 0 -
<u>3.2.8 Fire Services</u>				
● Equipment for two ships at wharf and one in drydock				
- 300 Ft. of 2-1/2" hose/Ship @ \$400/Ship		1,200		
- 1500 Ft. of 1-1/2" hose/Ship @ \$1200/Ship		3,600		
- Four fire trees per Ship @ \$1500/Ship		4,500		
- Two Siamese fittings/Ship @ \$200/Ship		600		
- Fifty extinguishers/Ship @ \$2000/Ship		6,000		
- One hose drying rack		1,000		
- One handheld portable radio		1,000		
- One Base station radio		1,200		
- One compact pickup truck		7,000		
FIRE TOTALS		26,100	-0-	- 0 -
Note: If N/C activity is down move equipment from main yard.				

BASIC FACILITIES AND ANCILLARIES - Cont.

ITEM	CAPITAL	EXPENSE	REVENUE
3.2.9 <u>Security</u>			
• Four Bicycles	400		
• One handheld portable radio	1,000		
• One Base station radio	1,200		
• One scooter	3,500		
SECURITY TOTALS	6,100	-0-	-0-
3.2.10 <u>Safety Services</u>			
• Respirator maintenance equipment	1,000		
• Air sampling equipment	3,000		
• Equipment lockup cabinet	1,000		
• Explosive gas meter	6,000		
• One set of Standards	500		
SAFETY TOTALS	11,500	-0-	-0-
3.2.11 <u>Personnel and Industrial Relations</u>	-0-	-0-	-0-
3.2.12 <u>First Aid Services</u>			
• Medical supplies & equipment	3,000		
FIRST AID TOTALS	3,000	-0-	-0-
3.2.13 <u>Food Services</u>			
• Move two portable lunch rooms from main yard.		6,000	
FOOD TOTALS	-0-	6,000	-0-
3.2.14 <u>Outside Restrooms</u>			
• Move portable restrooms from main yard.		8,000	
RESTROOM TOTALS	-0-	8,000	-0-

BASIC FACILITIES AND ANCILLARIES - Cont.

ITEM	CAPITAL	EXPENSE	REVENUE
3.2.15 <u>Lockers</u>			
• Move portable locker building from main yard.		8,000	
LOCKER TOTALS	-0-	8,000	-0-
3.2.16 <u>Fueling Services</u>			
• Install two 10,000 gallon tanks, one for diesel and the other for gasoline.	45,000		
FUEL TOTALS	45,000*	-0-	-0-
* May be able to delete if tank truck from M-K is available.			
3.2.17 <u>Telephone Services</u>			
• Upgrade system to working condition.		11,000	
TELEPHONE TOTALS	-0-	11,000	-0-
3.2.18 <u>Maintenance Support</u>			
• Equipment	5,000		
MAINTENANCE TOTALS	5,000	-0-	-0-
DRYDOCK UTILITIES & MISCELLANEOUS ANCILLARY TOTALS	1,451,700	26,000 + 32,915/mo.	<180,000>

SOUTH SITE DEVELOPMENT PLAN

BASIC FACILITIES AND ANCILLARIES

This would cover only those item which would be required at the NASSCO South Site to make it suitable for repair and conversion activities.

1.1 Land and Water Facilities (Exhibit A)

The South Site will primarily consist of the 320,000 sq. ft. ITT Building, approximately 42 acres of land including 1196 ft. of the Sweetwater Channel Wharf and approximately 10 acres of Sweetwater Channel water area.

NASSCO has an option on an additional 5.5 acres of water area that can be exercised at any time. This would have to be exercised at the time NASSCO desired to build an additional wharf on the bay side of the NASSCO South Site.

2.1 Drydock (Exhibit B)

The drydock size has been set at 130 ft. x 925 ft. and the floor at -33 ft. (MLLW). This size will allow the docking of the majority of Naval ships stationed in San Diego (see Exhibit C) excluding nuclear-aircraft carriers. The dock will also handle 80 percent of the commercial ships presently operating on the West Coast. The dock has been angled north into the channel and as far south on the property as the constraints of excavation permit. This location will also permit good gantry track alignment to the existing wharf structure when added at a later date. This Layout also provides the best usage of land in regards to possible further expansion into Port of San Diego Property (24th St. Terminal) north of the site. The positioning of the dock in this manner also provides the Dock Master with the best use of tide and wind directions.

The engineering and construction cycle would entail 12 months for engineering and permits, followed by 18 months for the actual construction activity.

3. ANCILLARIES

3.1 Wharf Utilities (Exhibit D)

The wharf will be retrofitted so that it will have the capacity to handle anticipated repair requirements. The sewer line will be run from 32nd Street while the remaining utilities will be run from the southwest corner of the ITT Building to the wharf. Other items such as gases and oxygen will be supplied from bottles.

3.2 DRYDOCK UTILITIES & MISCELLANEOUS ANCILLARIES

3.2.1 Drydock Utilities (Exhibit D) ,

The drydock will be outfitted with all the utilities required to perform repair activities in the drydock. The sewer and electrical runs will be made from existing lines running under the ITT Building as shown in Exhibit D, and the water, air, gas and steam will be run from the utility building.

The long range plans are to establish an infrastructure for utilities distribution. This will take the form of permanent underground trenches from which branch services can be run as appropriate. The above mentioned utilities are in line with the long range plans for the utility distribution network.

3.2.2 Repair Support Shops/Storage (Exhibit E)

The main repair shop functions will remain in the main yard and only those repair shop functions required at the South Site will be set up. Space will be provided for these functions and inside storage requirements in the two-bay area in the southeast corner of the ITT Building.

A storage and staging area will be provided alongside the wharf for staging of equipment and materials to be used aboard ship.

3.2.3 Warehousing (Exhibit E)

Existing off-site warehousing which can be moved to the ITT Building economically will be done to fill the warehouse space and/or it may be leased out until NASSCO can utilize it.

3.2.4 Offices (Exhibit E)

The repair offices for the South Site will be located on the 3rd floor of the ITT Building. This office area is served by elevator and is in the closest practical proximity to all repair activities. Relatively few changes will need to be made to these existing offices.

The fourth floor offices of the ITT Building will be set aside for Navy-Supships personnel. The area is more than will be initially required and will allow area for growth.

The first floor office on the north end of the ITT Building will be set aside for drydock construction management and any other special offices required during site development.

3.2.5 Material Handling Equipment

For general movement of material in the ITT Building and yard, the following handling equipment would be needed:

- Two - 4-ton forklifts
- One - 15-ton forklift
- One - 3500 lb. highlift forklift

The lifting capabilities required for a basic repair yard operation would be handled by the following:

- One - 60-ton mobile crane with a 150 ft. boom
- One - 80-ton mobile crane with a 150 ft. boom
- One - 35-ton Hydro crane
- One - large barge mounted crane will occasionally be required for extra heavy lifts. This crane will be rented on an as needed basis.

3.2.6 Interyard Transportation

There will be a substantial amount of work done at the main yard to serve South Site repair needs. Additional transportation needs will be as follows:

- One - standard 3/4-ton pick-up for supervisors, quick pick-ups, mail, etc.
- One - 12-foot stake truck. This is a 1-ton pick-up for intermediate loads.
- One - 20-foot stake truck. This is a 2-1/2-ton standard stake truck for handling the larger loads. This truck should have a hydraulic tailgate.

Other larger moves can be handled with existing main yard Facilities:

- One - 8'x 40' flat bed semi-trailer for engines and generators.
- One - barge **for any** large equipment.

Rail services are available at both sites, if needed. It is not planned to use rail for interyard transportation at this time.

There will also be requirements for handling the movement of personnel between the yards such as management, engineers, safety, medical, etc. For this, four executive automobiles will be assigned when their replacement occurs in 1982.

3.2.7 Hazardous Waste

Plans are that hazardous Waste will be staged in suital cells (to be constructed) behind (north of) the present utility building. This will be a designated area for this service. The hazardous waste will be handled on a sub-cont: basis by a licensed handler.

3.2.8 Fire Services

The plan is to have around-the-clock NASSCO Fire Depart personnel doing extinguisher checks, maintenance, hose check etc. Alarm monitoring would be in the South Site main secur guardhouse. Some additional basic equipment will be needed, including a compact pickup truck. If the new construction activity is down in the main yard there will be available equipment that can be used at the South Site.

3.2.9 Security

The plan is to use NASSCO personnel around the clock pr viding guardhouse vigilance to monitor security and fire che and roving security checks of the facility. The Saturday ar Sunday shifts will be handled by our present subcontractor (Pinkerton) to fill these shifts.

3.2.10 Safety Services

One person full time on 1st shift - 5 days only, other functions (Industrial Hygienist, etc.) part time, tie in wit main yard services as needed. Some equipment will be needed at the South Site.

3.2.11 Personnel and Industrial Relations

All hiring and keeping of main personnel records will b done at the main yard. Some part-time service will be avail able for questions on benefits, insurance, etc. Either a pa or full time Industrial Relations person will be available a appropriate.

3.2.12 First Aid Services

1. The satellite medical facility at the ITT site will be staffed by one licensed nurse (R.N. or L.V.N.) on the da: shift and by one medical technician on each of the 2nd and 3rd shifts.
2. All injuries or illnesses at the ITT site will be taken to that satellite medical facility for evaluation and possible treatment.

- d. On each shift, the medical person in charge at the satellite will treat, on site, only those cases which fall within his/her treatment capability. The more serious cases will be triaged as follows:

(A) Day Shift

- (1) First option is referral to main medical facility in Building 15. Please note that the transportation problems from the satellite ITT site to Building 15 have not been resolved at this time. Only a few of these cases will be able to travel on their own.
- (2) Second option is transportation to the nearest hospital Emergency Room by paramedics.

(B) Second Shift

- (1) First option is use of the South Bay Industrial Medical Clinic.
- (2) Second option is transportation to the nearest hospital Emergency Room by paramedics.

(C) Third Shift

- (1) These cases will be transported to the nearest hospital Emergency Room by Paramedics.

4. The satellite medical unit at the ITT site will be equipped to take full advantage of the treatment capability of a licensed nurse, but will not be equipped with specialized instrumentation of high cost.

3.2.13 Food Services

It is recommended not to make any drastic changes as to now this subject is handled at the two different sites. The present practice of using catering trucks with portable lunch room in the main yard should be repeated for the South Site.

3.2.14 Outside Restrooms

It is recommended the same portable restroom accommodations that are used in the main yard be used at the South Site. The number of units should be used on similar allocations for men and women as those in the main yard. Available main yard units will be moved to the South Site.

.2.15 Lockers

- Trades; for toolboxes, 'etc., will be transferred from the main yard.
- Clothing lockers will also be *transferred* from the main yard. Some lockers already exist in the ITT Building and should be utilized.

3.2.16 Fueling Services

Fueling *serices* will be needed *on-site from the start* of operations. It is recommended that the following be supplied:

- One - 10,000 gallon Diesel tank
- One - 10,000 gallon Gasoline tank

Tanks and fuel pumps must be *code* distance away from buildings. Probable location would be the rear of the utilities building.

3.2.17 Telephone Services

The current system will require some work to make it operational to start. It is recommended that arrangements be made to determine how best the South Site should be served by telephone, and what interconnects there should be with the main yard. It is suggested that the M-K telephone system representative be asked to study the requirements and make the appropriate recommendations.

3.2.18 Maintenance Support

An area in the northwest corner of the ITT Building has been designated as a maintenance area. Staffing will be on an as needed basis from the main yard.

ADDITIONAL REQUIREMENTS FOR DD-963 CONTRACT

ADDITIONAL REQUIREMENTS FOR DD-963 CONTRACT - CAPITAL COSTS

ITEM	7/4/81 ESTIMATE	10/7/81 ESTIMATE	VARIANCE	FOOT NOTES
1. Navy Berthing and Messing	-0-	-0-	-0-	(1)
2. Berthing and Messing Utilities	-0-	121,300	121,300	
3. Parking	-0-	10,000	10,000	
4. Material Handling Equipment	-0-	-0-	-0-	(2)
5. Warehousing	-0-	11,600	11,600	
TOTALS	-0-	\$142,900	\$142,900	

FOOTNOTES:

- (1) Leased Materials
- (2) Included in General Repair Material Handling Equipment; can be leased and charged to DD-963 Contract.

Covering Additional Requirements for DD-963 Contract
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ADDITIONAL REQUIREMENTS FOR DD-963 CONTRACT

<p>1. <u>BERTHING & MESSING</u></p> <ul style="list-style-type: none"> • Sixteen 24' x 60' temporary berthing units • One 12' x 60' temporary CO & XO berthing unit • One 10' x 40' refrigeration trailer • One 36' x 60' temporary messing unit • Furnishings for berthing and messing facilities • One 36' x 60' temporary lounge and game room with furnishings • One 10' x 40' temporary laundry facility <p align="right">BERTHING & MESSING TOTALS</p>		<p>12,000/mo.</p> <p>400/mo.</p> <p>300/mo.</p> <p>2,500/mo.</p> <p>10,000/mo.</p> <p>1,600/mo.</p> <p>2,000/mo.</p> <p>28,800/mo.</p>	
<p>2. <u>UTILITIES (BERTHING & MESSING)</u></p> <ul style="list-style-type: none"> • Sewers 1,000 Ft. 6" VCP @ \$30 per LF. • Electrical, Telephone and TV 160 Ft. of Conduit @ \$30 per LF. • Water with Services and Sprinklers: 600 Ft. Pipe @ \$60 per Ft. Two Pans for Sprinklers @ \$2,000 ea. 	<p>30,000</p> <p>4,800</p> <p>36,000</p>		<p>-0-</p>

ADDITIONAL REQUIREMENTS FOR DD-963 CONTRACT - Cont.

ITEM	CAPITAL	EXPENSE	REVENUE
<u>UTILITIES (BERTHING & MESSING) Cont.</u>			
<ul style="list-style-type: none"> Electrical: <ul style="list-style-type: none"> Two - 480 V. lines from Bldg. to Lot Two - 480 V to 120/208 Transformers Sixteen - Power Panels 	45,000		
UTILITY TOTALS	121,300	-0-	-0-
<u>3. PARKING</u>			
<ul style="list-style-type: none"> Fence in a portion of paved area west of ITT Building to provide parking displaced by Navy Berthing & Messing on east side of ITT Building. Approximately 1,000 lineal feet @ \$10,000/Ft. 	10,000		
PARKING TOTALS	10,000	-0-	-0-
<u>4. MATERIAL HANDLING EQUIPMENT</u>			
<ul style="list-style-type: none"> Two - 80 ton Truck Cranes - Long Boom Two - 12,000 lb. Forklifts One - 30 ton Hydro-Crane One - Large Barge Mounted Crane as required (\$4,000/Day) 		24,000/mo.	
		2,000/mo.	
		6,500/mo.	
		-0-	
MATERIAL HANDLING TOTALS	-0-	32,500/mo.	-0-
<u>5. WAREHOUSING</u>			
<ul style="list-style-type: none"> Purchase & Install Storage Packs 	11,600		
WAREHOUSING TOTAL	11,600	-0-	-0-
TOTALS	\$142,900	\$61,300/mo.	-0-

ADDITIONAL REQUIREMENTS FOR DD-963 CONTRACT

This would make the NASSCO Southite ready to handle the repair contracts for two DD-963 Navy vessels (Ray & O'Brien). This includes a few of the items already indicated in the General Repair Requirements

1. Navy Berthing & Messing

The plan is to provide temporary facilities situated on the ITT property. The most suitable location from the standpoint of access, security and installation costs is on the east side of the ITT Building as indicated in Exhibit F. If additional area would be required for additional facilities at a later date, the parking lot north of the ITT Building could be utilized. The displacement of parking spaces is addressed in #3 of this section.

Approximately 1.6 acres would be required initially to house the Navy personnel for a DD-963. Berthing quarters would consist of sixteen 24'x60' trailers, one 12'x60' Officers' trailer, one 10'x40' Refrigeration trailer, one 36'x60' Messing trailer, one 36'x60' Lounge and Game Room trailer and one 10'x40' Laundry Facility trailer. Parking would be available for 200 - 300 Navy personnel

2. Berthing & Messing Utilities

The Berthing & Messing complex will be outfitted with all utilities which are required to support such a facility.

3. Parking

When the Berthing & Messing Facility is installed it will displace approximately 200 parking spaces. In order to accommodate the displaced spaces an area will be fenced off on the west side of the ITT Building for parking.

A Material Handling Equipment

The Material Handling requirements for the DD-963's are ^{2s} indicated below. This list of equipment has already basically **been** addressed in the General Repair Requirements and may not need to be repeated.

Two - 80 ton Truck Cranes with Long Booms
Two - 12,000 lb. Forklifts
One - 30 ton Hydro Crane
One - Large Barge Mounted Crane as required

5. Warehousing

An area will be provided within the ITT Building for the contract required Warehousing for the DD-963 vessels.

LONG RANGE POTENTIAL DEVELOPMENT PLAN

LONG RANGE POTENTIAL DEVELOPMENT PLAN

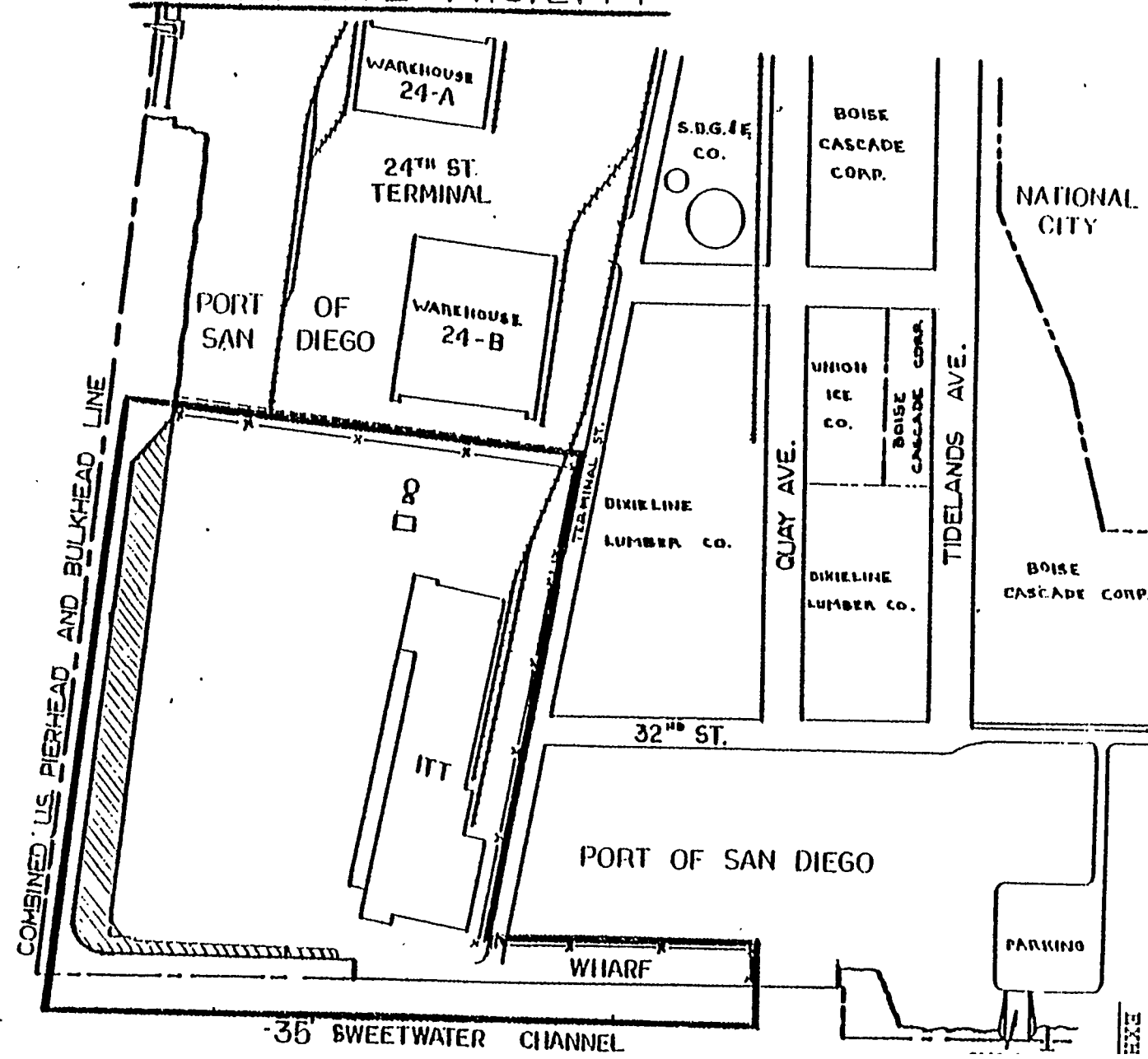
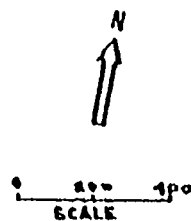
The long range development would include those items which will enhance the existing operations and Provide NASSCO with optimum flexibility to enter into new business ventures, especially in the event of a down-turn in ship construction and repair .

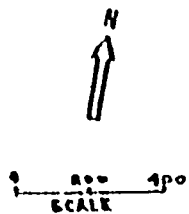
This could (and we emphasize could) include:

- Move New Construction Pipe Shop from the main yard into the ITT Building. This will open up the center of the main yard for Platen area and/or Unit Staging as indicated in the main yard Long Range Facility Plan (LRFP) .
- Move New Construction Sheetmetal Shop from the main yard into the ITT Building. This move will clear the 28th St. Mole Pier for a New Construction Outfitting Staging area as indicated in the main yard LRFP.
- Move New Construction Electrical Shop from the main yard into the ITT Building. This also supports "the LRFP For the main yard.
- Construct to 2300 lineal feet of new wharf, extending the existing *wharf* along the southern boundary and wrapping around to the west boundary to the northern property line.
- Adequate acreage exists for pre-erection outfitting of ships modules or other marine/non-marine.
- Add a Combatant Electronics Shop so as to increase NASSCO capabilities to handle 3-B type work for G-Ships. This could be located in the ITT Building *Clean Room* area.
- Suitable acreage available for drill rig-fabrication and other oil industry related *projects*.

EXHIBITS

SOUTH SITE FACILITY





-36'

COMBINED U.S. PIERHEAD AND BULKHEAD LINE

DRY DOCK

PORT
SAN
OF
DIEGO

WAREHOUSE
24-A

24TH ST
TERMINAL

WAREHOUSE
24-B

8
□

ITT

DIXIELINE
LUMBER CO.

S.D.G. & E.
CO.

BOISE
CASCADE
CORP.

VIHON
ICE
CO.

BOISE
CASCADE
CORP.

DIXIELINE
LUMBER CO.

TIDELANDS AVE.

NATIONAL
CITY

BOISE
CASCADE CORP.

32ND ST.

PORT OF SAN DIEGO

WHARF

PARKING

SMALL
BOAT RAMP.

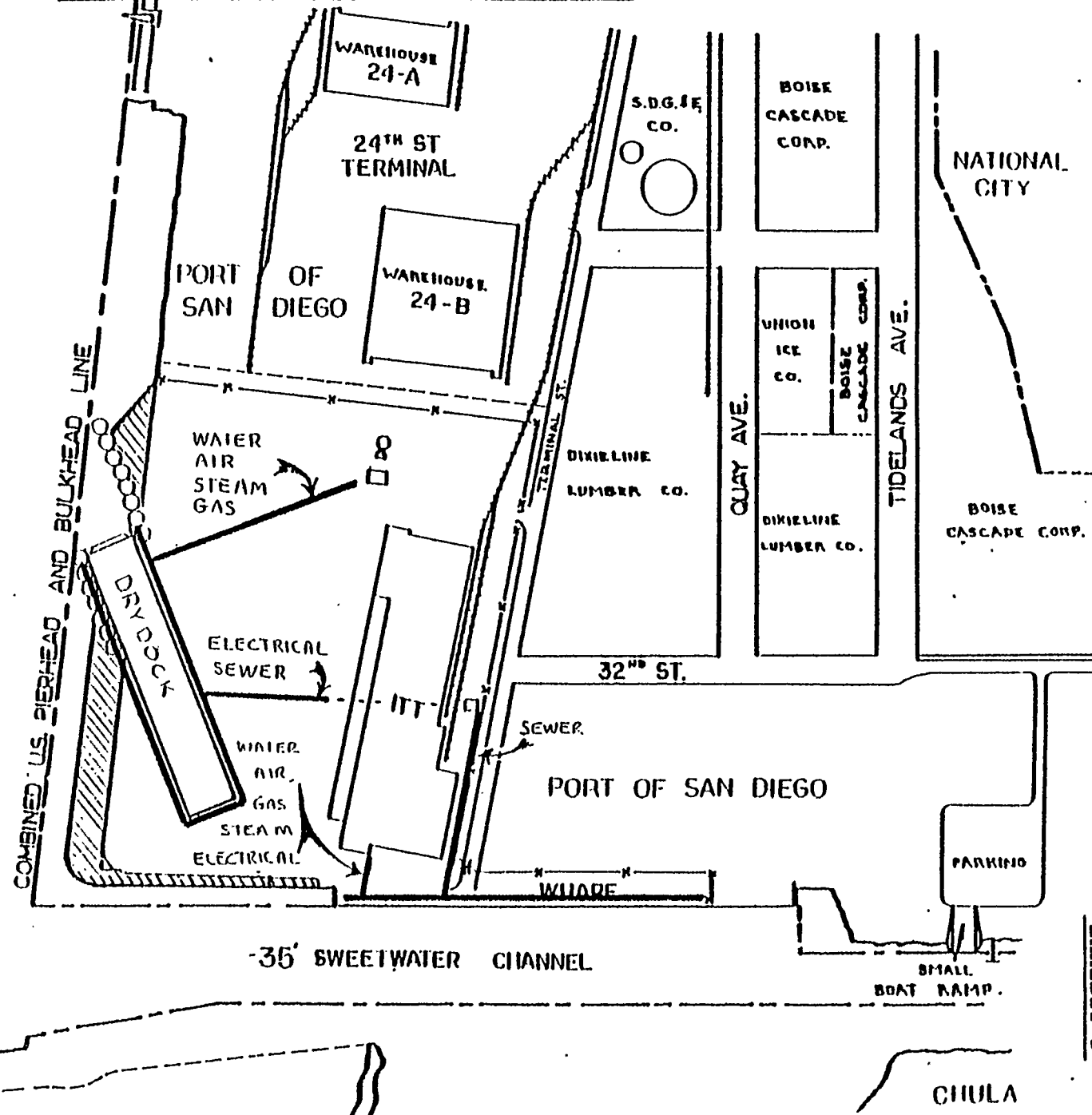
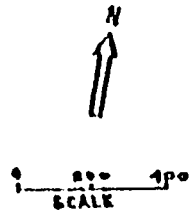
CHULA
VISTA

EXISTING
S. B. 1515

Naval Vessels Stationed in San Diego That Can be Docked
in a 130' x 925' x -33' Floor Drydock.

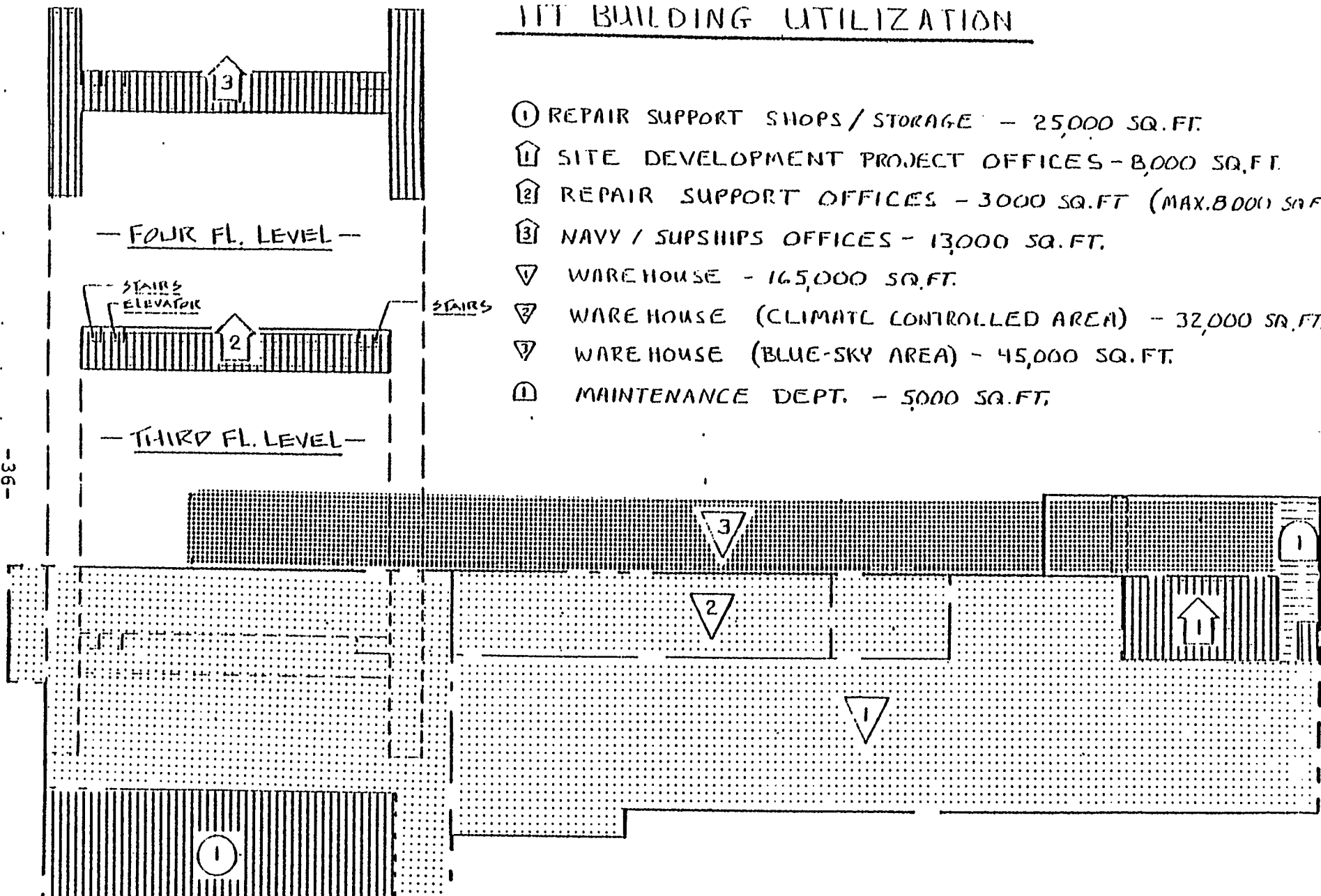
Cv-34	Oriskany Aircraft Carrier
BB	Iowa Class Battleships
LHA	Tarawa Class Amphibious Assault Ships .
AOE	Fast Combat Support Ships
AOR	<i>Replenishment oilers</i>
AO	Oilers
AD	Destroyer Tenders
AR	Repair Ships
AS	Submarine Tenders
AFS	Combat Store Ships
LKA	Amphibious Cargo Ships
LPH	Amphibious Assault Ships
APD	Amphibious Tansport Dock
LSD	Dock Landing Ships
LCC	Amphibious Command Ships
LST	Tank Landing Ships
FF	Guided Missile Frigates
DD	Destroyers

UTILITY INFRASTRUCTURE



ITT BUILDING UTILIZATION

- ① REPAIR SUPPORT SHOPS / STORAGE - 25,000 SQ. FT.
- ① SITE DEVELOPMENT PROJECT OFFICES - 8,000 SQ. FT.
- ② REPAIR SUPPORT OFFICES - 3000 SQ. FT. (MAX. 8000 SQ. FT.)
- ③ NAVY / SUPSHIPS OFFICES - 13,000 SQ. FT.
- ▽ WAREHOUSE - 16,500 SQ. FT.
- ▽ WAREHOUSE (CLIMATE CONTROLLED AREA) - 32,000 SQ. FT.
- ▽ WAREHOUSE (BLUE-SKY AREA) - 45,000 SQ. FT.
- ① MAINTENANCE DEPT. - 5,000 SQ. FT.



NAVY BERTHING & MESSING LOCATION

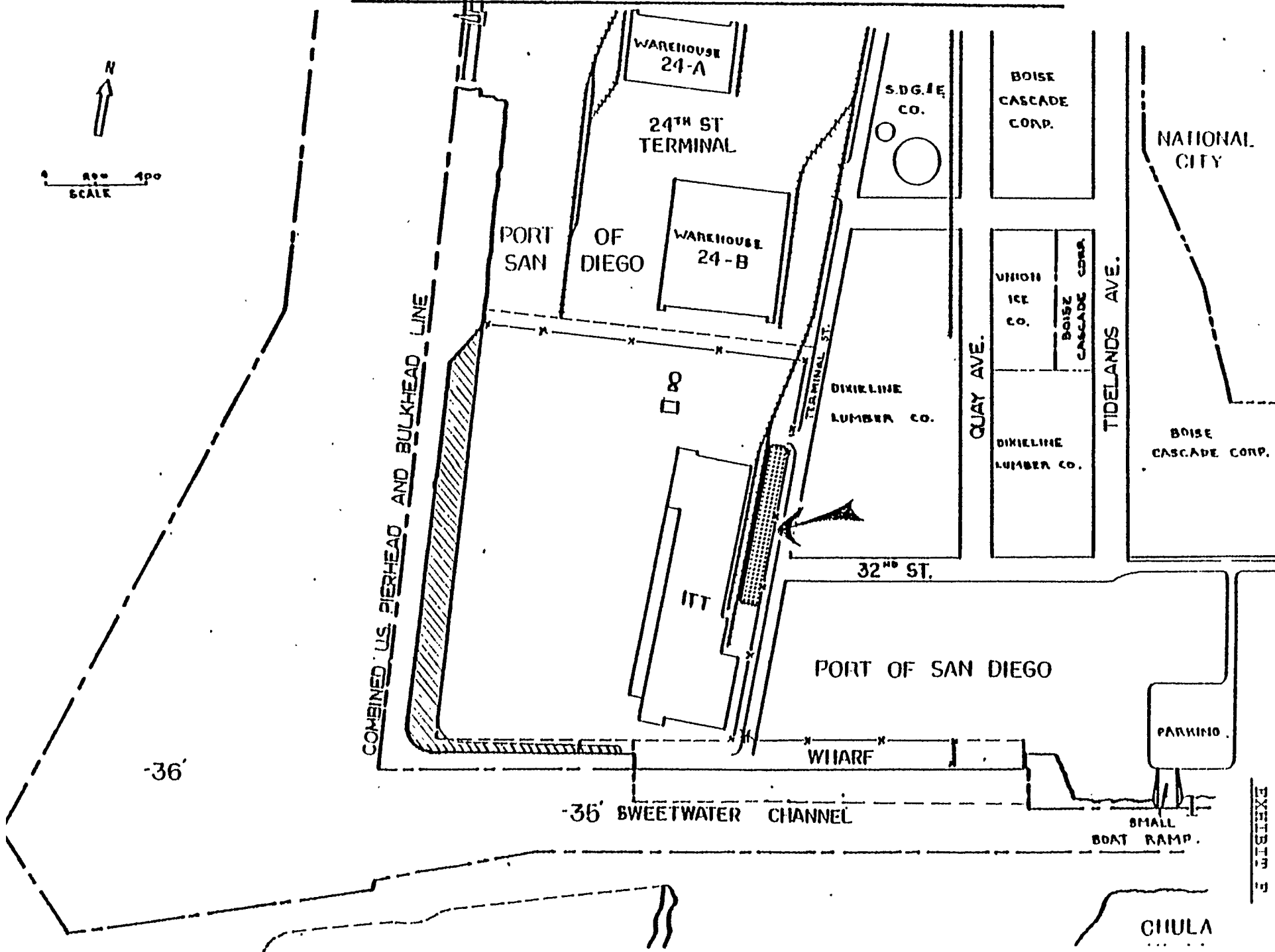
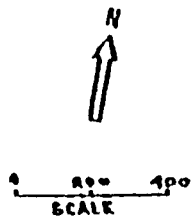


EXHIBIT 5

NEWS RELEASES

THE TRIBUNE

ing Newspaper

★ ★

Friday, December 25, 1981

25 Cents A Copley Newspaper

NASSCO scrubs 2nd shipyard

★ NASSCO

(continued From Page 1)

He said the company once hoped that as shipbuilding declined many employees could be relocated to the new yard to work on Navy ship repairs or restoration of reserve warships for active duty.

"They might bring one or two carriers or battleships out of mothballs," French said, "but the budget doesn't allow them to do it as fast as they want to do it."

NASSCO had planned to build on the site of an old underwater-cable plant of the International Telephone and Telegraph Corp., which has been unused for eight years.

The shipyard's options to lease both property and the building expire Dec. 31, he said.

French said NASSCO may reconsider the project if economic conditions change and the options are still available.

He said that meanwhile his company will consider deepening the channel in the drydock at its present yard in hopes of adding to the average \$30 million a year in ship repairs it now does.

French said about 120 Navy ships are based in San Diego, around four times as many as drydocks here can handle. This sends many ships to Long Beach, San Francisco and Portland, Ore., for repairs.

He said it was difficult to tell now how much Navy repair work might be available when NASSCO begins to need it.

"Our new construction takes up most of our facilities for the next eight to 12 months," he said. "It starts to wind down next August and really winds down in November and December."

The shipyard, largest on the West Coast, currently is building two destroyer tenders, a Navy cable ship and four tankers, with one other tanker on order, French said. It amounts to a \$400 million backlog, he said.

Unless customers decided to go ahead with some or all of the six other tankers NASSCO has options to build, the yard's new construction will begin coming to an end in about a year, he said.

This situation parallels that of most American shipyards keyed to commercial shipbuilding.

French said Reagan administration decisions to cancel differential subsidies, authorize purchases of foreign-built ships and tighten the amount of federal insurance available has seriously dampened shipbuilding.

"They've just come up with a whole bunch of disincentives for American ship operators to buy American-built ships," he said.

He said NASSCO could be down to about 2,000 employees within two years.

By Don Learned

Tribune Staff Writer

The National Steel and Shipbuilding Co. has canceled plans to build a second yard in National City that it once projected would draw \$80 million a year in repair contracts and create 2,000 jobs.

NASSCO president Larry French said the decision was due to high interest rates, the general state of the economy and an expected decline in potential Navy contracts amid federal budget-tightening.

French said the company would have had to spend \$40 million over two years to build two drydocks on now-idle waterfront without any assurance that contracts it hoped for would be available.

"I think the business is probably there," French said, "but there is no guarantee it is, or will be there as quick as we need to justify the expenditures."

He said the decision was made Dec. 18 in a meeting at the Boise, Idaho, headquarters of NASSCO's parent company, Morrison-Knudsen Inc.

French said that the present shipyard has enough work to stay at its current 6,800-employee level until late next year but that without new contracts the staff could nose-dive to 2,000 in 1983.

See NASSCO, A-4

Plans Abandoned For Additional Shipyard Here

NASSCO's Parent Firm Says Decision Based
On Difficulty In Lining Up Investment Capital

By CHERYL CLARK
Staff Writer, The San Diego Union

The parent company of San Diego's National Steel and Shipbuilding Co. — the largest shipbuilder on the West Coast — has scrapped plans for a second shipyard here that would have employed about 2,000 people, the firm has announced.

John Murphy, NASSCO's vice president for public relations, said yesterday that Morrison-Knudsen Inc., the firm's parent company in Boise, Idaho, made the decision because of the difficulties of obtaining investment capital.

Murphy also said the fact that NASSCO recently lost out to a Seattle firm in competition for two contracts with the Navy to repair destroyers played a part in Morrison-Knudsen's decision.

The contracts were worth about \$50 million.

The second shipyard was to be built on about 40 acres next to the existing shipyard in National City by 1983, with full operation by 1984. The site is on vacant land near the Sweetwater Channel and once was used by the International Telephone and Telegraph Co. for an ocean cable manufacturing plant.

The addition would have cost about \$40 million over the two-year construction period for the two drydocks. But the company expected to get about \$80 million a year in repair contracts.

Early in 1981, NASSCO reported that it was booming with contracts and said its employment picture was looking good, with 1,000 more employees at the end of 1980 than at the end of 1979.

It had a \$735 million backlog of orders, and the company had been working on a \$36 million modernization program over the last seven years.

But more recently, the firm has been hit by hard times and a declining number of government contracts. The company expects to lay off a large but undisclosed number of its 6,500 workers by next autumn, Murphy said yesterday. Earlier this month, Sam Timmons, senior vice president of the firm, speculated that the number of workers could be cut in half.

But Murphy said that the second shipyard was expected to save 2,000 of those jobs.

"This decision means we simply will not save a certain number of jobs we were hoping to save," Murphy said.

Asked if Morrison-Knudsen might reconsider its decision, Murphy said there was little chance. The company's "decision is final and irrevocable," he said.

But the bad news also means that NASSCO may be looking at a considerable scaling down of its present operation, because government contracts anticipated have not come forth.

Timmons complained earlier this month that the limited amount of commercial shipbuilding contract work available has been going to other countries, leaving the United States to become "a nation of tinkerers, a country making electronic toys."

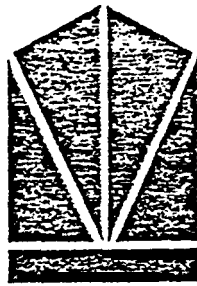
NASSCO now has a backlog of about \$385 million in shipbuilding contracts here, but the outlook for the future isn't very rosy. Speaking at a luncheon early last year, NASSCO's President C.L. "Larry" French expressed extreme pessimism on the subject of shipbuilding.

Plans Dropped For Shipyard

(Continued from A-1)

He blamed the United States government's support of contracts with foreign shipyards, saying "I'm pretty well resolved the best I can expect from my government is that the level needed for our own domestic requirements will remain. I don't see any hope — or really any great value — in the U.S. government looking to export sales."

(Continued on A-3, Col. 1)



SHIPYARD WEEKLY

SHIPBUILDERS COUNCIL OF AMERICA

1110 VERMONT AVENUE, N.W. | WASHINGTON, D.C. 20005

Thursday, December 31, 1981 - No. 53

Happy New Year

COUNCIL PRESIDENT HOOD 'S YEAR-END STATEMENT

Looking back on the past 12 months, it is difficult to select a single adjective or a single descriptive phrase which would appropriately reflect the promises and disappointments, the aspirations and frustrations and the successes and failures as affecting the U.S. shipyard industry.

With the advent of the Reagan Administration in January, there was a new sense of optimism that a comprehensive, coherent and coordinated shipbuilding industrial strategy would be promptly developed and implemented to enhance national security (see 1/8 SW). The nice-sounding statements of the 1980 campaign were interpreted as supportive of that optimism and indicative of a badly-needed "get with it" philosophy. But, at this writing, talk rather than action prevails.

Looking ahead, at year-end, conditions and circumstances appear equally ambiguous. Some yards - those with a comfortable backlog - view the future with a high degree of optimism, others - those forced to lay off skilled workers - are deeply pessimistic. Policy-making as affecting commercial shipbuilding remains distinctly negative in tone, but naval shipbuilding holds the promise of increased activity.

Future markets for the construction of both naval and merchant vessels as well as offshore drilling rigs, however, have been clouded by the confusing rhetoric of governmental statements, the absence of a definitive national maritime policy, and the polemics of the continuing debate on national defense.

Simply stated, the shipbuilding industry of the United States faces a short-term adversity of substantial proportions and a long-term prospect of uncertain dimensions. The infrastructure of an essential base for mobilization is accordingly in serious jeopardy.

President Reagan's commendable intentions of a sufficient throughput of naval and commercial ship construction work in U.S. shipyards to maintain "our irreplaceable shipbuilding

mobilization base" and a skilled shipyard workforce - as he pledged during the 1980 campaign - have been frustrated by the persistent battle of the budget and a politicized view of the importance of ships and shipyards to national security.

All the while, the existing orderbook for commercial oceangoing vessels is rapidly dwindling. In 1980, contracts for only seven newbuildings of 1,000 gross tons and over were placed with U.S. shipbuilders. The number for 1981 is eight ships. After the end of 1982, only eight vessels will remain to be delivered.

Obviously, Facilities for merchant ship construction in the United States are going to be idled, some perhaps permanently, and many thousands of skilled shipyard workers, including a high percentage of minorities, will be looking for jobs. A progression toward decimation of the commercial shipbuilding segment of the U.S. industry has already commenced. A turn-around before 1984-1985, if then, is highly improbable.

The Administration is "unable at this time (to) project a major merchant ship construction program" for U.S. shipbuilders, but hope is expressed that "we can achieve such goal in the period ahead of us. " The "period ahead of us, " however, is not delineated.

Alternatively, the general surmise is that naval ship construction will adequately sustain "our irreplaceable shipbuilding mobilization base. " Not so! It needs to be emphasized that the expectation of an expanded naval shipbuilding program remains just that: an expectation. . A five-year program to accomplish a 600-ship naval fleet (-up from 456 at present) , also pledged during the 1980 campaign, has undergone several revisions, each diminimus.

.In any event, because of the long lead-time associated with the construction of sophisticated warships, the full impact on shipbuilders is at least three years away and ultimately less than two-thirds of the industry's total capabilities will be potentially utilized. Meanwhile, more than half of those capabilities are rapidly being idled: at least six (of the 11 usual) naval shipbuilders are now running out of work .

As to merchant vessel construction, a diminimus process has also been set into motion, despite President Reagan's campaign pronouncements. Through an unorthodox budget reconciliation in the Congress in mid-1981, subsidized shipowners may now build merchant ships abroad and still obtain substantial operating subsidies from the public treasury. The adverse effects on "our irreplaceable shipbuilding mobilization base" cannot be denied.

This departure from long-standing U.S. maritime policy is limited to two years, but, given the evident unreal free trade

attitudes of some advisors within the Administration, there is an uncomfortable feeling that this development could be more than a momentary aberration of President Reagan's much-publicized and expectantly favorable "new beginning" in shipbuilding.

In addition to the implied end of construction subsidies, the Director of the Office of Management and Budget has indicated that Title XI ship mortgage guarantees are among Federal credit programs which may be reduced, if not eliminated outright. By this program, which has been self-paying and thus no drain on the public treasury, construction, in U.S. shipyards, of thousands of ships and barges plus hundreds of offshore drilling rigs involving employment for many thousands of American citizens has been possible. Already the threat that Title XI may be abandoned has dampened the offshore oil drilling rig construction market which, in the past several years, has been steadily expanding.

The destructive effects on U.S. shipbuilders, their workers and their suppliers will obviously be tremendous. Negative effects on the national economy could be substantial. Ignored by the policy-makers in government are the concrete evidences that, contrary to free market concepts, every other major maritime power provides an extraordinary variety of meaningful direct and indirect subsidies to ensure the continued availability of shipping and shipbuilding resources considered essential to their national interests.

In this atmosphere, only ship conversions and repairs - now spotty - hold the potential of relatively stable near-term markets for U.S. shipyards. For the long-term, the Reagan Administration appears to be genuinely-embarked on an effort to upgrade and expand the U.S. Navy, but budgetary pressures could preclude accomplishment by the early 1990's as originally envisioned. A stretch-out in shipbuilding may be fiscally necessary.

As to merchant shipbuilding under governmental auspices, a new maritime policy is now promised by February next, but from all signs, it will very probably not encompass subsidies and other Federal aids in the traditional sense, in which case some builders of commercial ships could fall by the wayside and the Nation's shipbuilding mobilization base will be severely eroded.

1982, 1983 and 1984 will therefore be significantly crucial in terms of national shipbuilding capability. With high probability, that capability will be significantly further diminished in this period. A downturn in employment of skilled shipyard workers is already underway. Plans for an expanded naval shipbuilding program will not provide an immediate reversal of a diminishing capability within the shipbuilding base. It is equally clear that naval shipbuilding alone will not sustain an adequate U.S. shipbuilding mobilization base.

From this moment forward, U.S. shipbuilders must not only plan for an uncertain near-term future but must also anticipate how best to restore capabilities to meet demands for the years after 1984. Given the task to build a larger Navy, the shipbuilding industry will have to reassemble a significant portion of a skilled workforce, and the unavoidable costs of recruitment and training will again be reflected in a higher price for ship construction.

The prevailing mood within the U.S. shipbuilding industry is thus shaped by both pessimism and optimism. Pessimism in the sense that "mid-course" corrections may come too late for some yards. And optimism in the sense that a constructive national strategy will soon be formulated and implemented and that the burden of costly regulatory and statutory requirements, which inhibits competition on world markets, will soon be lightened. That optimism is fortified by more than \$2.0 billion in capital improvements over the past ten years with another \$500 million planned over the next several years.

AS OTHERS SEE U.S. SHIPBUILDING OUTLOOK-

Britain's SEATRADE magazine (Nov. issue) said it well: "The question of how large a U.S. naval fleet is needed, what sort of Navy is desirable, how large a shipyard mobilisation base is required and what constitutes a healthy mix of commercial and military shipbuilding will inevitably be answered by the purely subjective forces of politics. Yet, with the federal construction subsidy programme now on ice, and the Reagan Administration committed to both increased naval construction and Budget reconciliation, it appears almost impossible to speculate on how U.S. shipyards will adjust to changing economic conditions.

"With the prospects for receiving new merchant orders effectively dashed for the immediate future by the eradication of new construction differential subsidy (CDS) funding, U.S. shipyards will, more than ever, rely on the Navy for newbuilding contracts. While the boom in demand for drill rigs has helped several yards to weather the severe decline in orders for new commercial ships, it is not known how long the offshore bonanza will last. And although several of the country's major yards are confident that repair work will pick up much of the slack in the commercial sector, many analysts, including some in the Administration, remain concerned about the (sharp decline in) total U.S. shipyard employment. . .

"From the shipyards' perspective, the ordeal of the 1982 Budget will make it difficult to put much faith, for purposes of long-term planning, in the forthcoming five-year naval construction plan (see 12/24 SW) . . critics of the programme can assert that the five-year plan offers little encouragement for industrial base planners. . ."

BUT EXPECTS REPAIR WORK TO EASE CRUNCH**Layoffs Certain, NASSCO Says**

By KEN HUDSON
Staff Writer, The San Diego Union

Navy ship repairs and overhauls will help brighten the bleak outlook for shipyards here but massive employee reductions appear almost a certainty, an official of National Steel and Shipbuilding Co. said Wednesday.

Beginning next fall, layoffs of more than half of the 6,500 workers at NASSCO, the largest shipyard on the West Coast, are probable, said Sam Timmons, senior vice president of the company.

"We're going to end up like Japan was in the 1930s — a nation of toymakers, a country making electronic toys," Timmons said.

What small amount of commercial shipbuilding there is left is going to other countries, he said.

A combination of factors, including the probability that the United States will be providing subsidies for operators of foreign-built cargo ships, are leading to a near disaster in the U.S. shipbuilding industry, Timmons said.

Contributing is the absence of a national maritime policy that requires a fixed percentage of American cargo be shipped on American-flag vessels.

Passage of a bill by Congress that would provide subsidies for foreign-built freighters and tankers "will be a severe blow" to the industry and its effects will be felt on the local as well as national level, Timmons said.

It was in reference to shipbuilding in other countries, as well as auto manufacture and other industrial production, that led to his remarks about this country ending up as a nation of toymakers.

The production work force at NASSCO is now a little more than 5,000, with about 1,500 other salaried employees, Timmons said.

The last ship being built by NASSCO will be a Navy cable vessel scheduled for delivery in October 1983. Between now and then the force reduction will increase.

"I think it would be over-

ly optimistic to say our employment will be higher than 3,000 — and that includes the salaried workers — by then," Timmons said.

Another shipyard planned by NASSCO at the 24th Street Marine Terminal will have facilities designed to attract some of the defense construction and repair work that otherwise will go to other yards, Timmons said.

"We're hoping to build up contracts to keep about 2,000 employed down there plus others here (at the 28th Street shipyard)," he said.

"We're singing the blues, but we're not ready to jump off the bridge yet," Timmons said.

He said the company may enter the highly competitive field of combat-ship construction, a widely different area than the production of auxiliary ships that NASSCO has produced for the Navy in the past.

He also said the company is analyzing the offshore oil rig construction field, even though some of the structures now being produced are taller than the 102-story Empire State Building.

Those, he said, are built on their side and then towed into position and flipped upright. But if one were built at the present or future NASSCO yards, the base would be 100 feet higher than the San Diego-Corona-

do Bridge.

There is still the possibility of getting involved in that business, he said.

"We have a geographical advantage here," he said, noting the \$2 billion investment the oil industry has made in new West Coast offshore leases.

He said it is unlikely that NASSCO will enter the field of nuclear ship construction for the Navy. At one point several years ago, he said, the company was discouraged by the Navy from that area of shipbuilding because it is such a highly specialized field and there are ample facilities in the nation already equipped to do the work.

20 MILLION PROJECT

NASSCO Seeks OK For Second Shipyard

By KEN HUDSON

Staff Writer, The San Diego Union

Approval to build a second shipyard in the South Bay at a cost of more than \$20 million will be sought today by National Steel and Shipbuilding Co.

Designed for the overhaul and repair of Navy ships, the National City fleet would employ about 2,000 workers, NASSCO said.

NASSCO is asking the port commission to approve the preliminary report of a plan whereby it would take over the long-vacant International Telephone and Telegraph Co. seawater cable plant at the National City Marine Terminal.

The site consists of about 20 acres, NASSCO wants another 25 acres adjacent on the west and north sides of the marine terminal.

The complex permits from various local, state and federal agencies smoothly, some repair and haul work could begin next year from the wharf along the south side of the terminal, according to John Murphy, NASSCO vice president.

At the same time, the design and engineering for adapting the ITT laying plant and the adjacent vacant land as a shipyard would be going on, said Murphy.

Construction would be under way by 1983 and the full yard operational by 1984, he added.

Murphy said long-range plans call for a graving dock, a dry dock carved out of the land with a floating removable gate keeping bay water out while work on the hull is done.

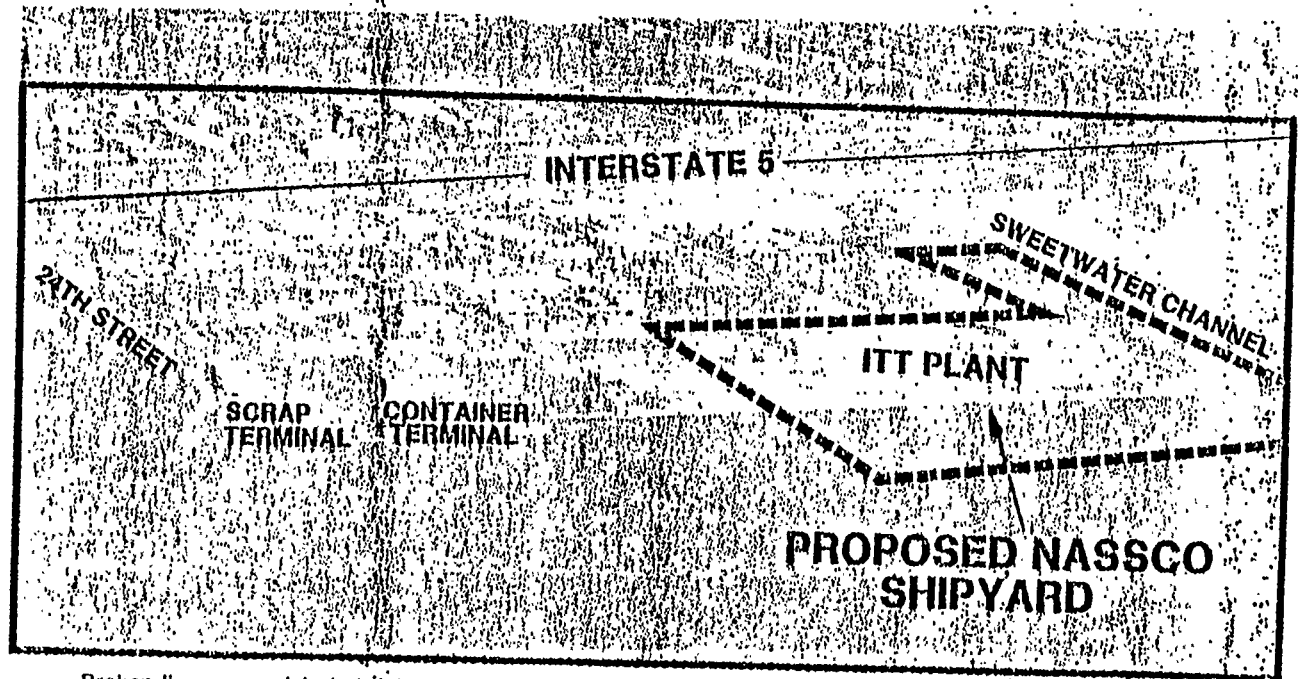
Monthly rent on the ITT site would rise from the present \$6,165 to about \$19,726 if a new lease is negotiated by the port district and NASSCO.

NASSCO has entered into an option agreement with ITT to sublease that portion of the property which has been unused for about eight years.

Various companies over the years have displayed interest in the ITT property, but nothing reached the development stage. Last year, the Ralph M. Parsons Co. proposed taking over the site for the assembly of modules used at the Prudhoe Bay, Alaska, oil fields for gas processing.

Construction of an Alaskan pipeline for transporting gas still has not been approved, and Parsons cannot proceed unless it is going to be built, according to the port district.

NASSCO is asking the port commission to approve a plan whereby it would have an option on some of the



Broken lines on aerial photo show area in National City where NASSCO would like to build a second shipyard.

property that would not expire until the completion of an environmental impact report. But the staff is recommending that if the concept of the shipyard is approved, the option be for at least one year.

The staff report does not make a recommendation either for or against the entire project. But recommended is a provision that if the plan moves forward, a new lease be

negotiated between the port district and NASSCO, rather than approving the sublease of the property by ITT to the shipbuilding company on a long-term basis.

NASSCO is proposing a lease until the year 2025, and port policy provides for readjustment of the rent agreement every five years.

The proposal to be considered by the port commission today is not the

first time NASSCO has had plans to build a second shipyard in the area.

In the early 1970s, the company proposed the construction of a shipyard to build liquefied natural gas supertankers on a site in Chula Vista, directly across the Sweetwater flood-control channel from the present proposed site.

Chula Vista chose to retain that property for the eventual develop-

ment of a residential marina-light commercial area.

Attempts to find a suitable alternate site for construction of the LNG supertankers failed and the plan was shelved.

NASSCO, a subsidiary of Morrison-Knudsen Co., currently employs about 6,800 workers and has a contract backlog of more than \$585 million of its shipyard work.

SAN DIEGO COUNTY

Tuesday, August 26, 1981

Los Angeles Times

Nassco Plans New Dry Dock in South Bay

By LANIE JONES,
Times Staff Writer

National Steel and Shipbuilding Co., hoping to stave off massive layoffs in 1982 when existing contracts expire, is planning a new \$20-million ship repair yard in National City.

The San Diego Unified Port District Commission Tuesday gave preliminary approval to Nassco's project, unanimously directing its staff to start negotiations with Nassco over leasing 45 acres of waterfront land for the new dry dock and repair yard.

Nassco Senior Vice President Samuel D. Timmons told the commission that the plant would employ as many as 2,000 people.

But while some South Bay community leaders suggested Nassco would be building a second plant to handle an overflow of work from its main facilities on Harbor Drive, Nassco executives said Tuesday that the main reason would be to keep Nassco in business during slack times ahead.

Survival Move

"I hate to put it in terms of survival but certainly the new (ship) construction business is going to be going down beginning in 1982-83," Timmons said outside the Port Commission meeting.

Nassco President Clarence French said in an interview that the company may have to lay off 4,000 of its 6,500 workers over the next few years unless it diversifies quickly and builds the new repair facility.

(The proposed site is on vacant land near the Sweetwater Channel once used by International Telephone and Telegraph Co. for an ocean cable manufacturing plant. The plant has been vacant since 1978 and although Nassco would buy it from ITT, it would have to be modified and a huge dry waterfilled dock or "graving" site would have to be dredged for ship repairs.)

French said that despite campaign promises, to bolster the sagging industry "the Reagan Admin-

Continued from First Page

istration hasn't done anything for the shipyard industry."

The Navy has placed no new orders for ships, he said, nor sought bids for the kind of non-nuclear, non-combat auxiliary ships that Nassco builds.

Lull in Buying

Further, French said, once the Reagan Administration began reviewing regulations for commercial ships, ship owners decided to hold onto their old ships and "no ships are being bought on the commercial market."

Although President Reagan promised to bolster the merchant marine, "he's torpedoed it so far," French said.

Although French said he was hopeful of new orders by 1985, in the interim, he said, there is little work in sight and likely will be none for several years since it takes two or three years to start work on a contract after the bids are sought.

"We now have a year and a half's work (a backlog of \$565 million)," French said. "When that's gone, there's no more."

In addition to keeping Nassco productive, the company would like to keep a skilled work force on the payroll. Although National City's mayor and Chamber of Commerce director both said they hoped the new plant would boost local employment, French said he doubted that.

"These would not be new jobs unless there's new construction to keep this plant (the main facility) at 7,000 (employees)," he said.

Second Dock Needed

French said his aim also was to provide a much-needed second dry dock for San Diego. The new facility would handle eight Navy ships a year at a cost of from \$5 million to \$40 million per repair job.

Currently, he noted, the existing dry dock, operated by the Navy at 32nd Street, can handle only eight ships a year, although the Navy requires 30 overhauls a year on the West Coast.

With a new facility, French said, the Navy could do more work in San Diego — and the local economy would benefit since sailors and their families would not have to leave town and move with the ship to be repaired to Seattle, Long Beach, San Francisco or other ports with more dry dock space.

So far the Navy is enthusiastic. Capt. Marty Hill, supervisor of ship building conversion and repair here, said, "If Nassco . . . actually digs a new dry dock, that would be a tremendous boon to the ship repair business in San Diego, no doubt about it."

The venture still needs the approval of Nassco's parent firm, Morrison-Knudsen Inc. of Boise, Ida. Its board of directors is to consider final approval at the November board meeting, French said. After that, it could take nearly two years of regulatory approvals and construction before the proposed facility is opened.